

Norli Liv og Pension Livsforsikring A/S

**SOLVENCY AND FINANCIAL CONDITION REPORT
(SFCR) 2025**

2025

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Norli Liv og Pension Livsforsikring A/S is part of The Norli Group which comprises the following companies at the end of 2025:

Norli Group A/S, CVR 42546747, FTId 96044 (Parent Company of the Group)

Midtermolen 1
2100 Copenhagen Ø
Denmark

Norli Liv og Pension Livsforsikring A/S, CVR 64145711, FTId 62706, 100% owned subsidiary of Norli Group A/S

Midtermolen 1
2100 Copenhagen Ø
Denmark

Norli Liv og Pension Ejendomsinvest A/S, CVR 26860199, 100% owned subsidiary of Norli Liv og Pension Livsforsikring A/S

Midtermolen 1
2100 Copenhagen Ø
Denmark

Norli Pension Livsforsikring A/S, CVR 29637873, FTId 63028, 100% owned subsidiary of Norli Group A/S

Midtermolen 1
2100 Copenhagen Ø
Denmark

Nordisk Pensionservice A/S, CVR 45346706, 100% owned subsidiary by Norli Group A/S

Midtermolen 1
2100 Copenhagen Ø
Denmark

Livsforsikringselskapet Norli Pensjon Norge AS, 924 295 074, 100% owned subsidiary of Norli Pension Livsforsikring A/S

Hieronymus Heyerdahls gate 10160 Oslo
Norway

Summary

Norli Liv og Pension Livsforsikring A/S (Norli Liv or the company) is an insurance company in the Norli Group (referred to as the "Group" in this report). Norli Group A/S is the parent, or holding company in the Group, whose sole activity is to own the life insurance companies Norli Pension Livsforsikringselskab A/S (Norli Pension or NP) and Norli Liv og Pension Livsforsikringselskab A/S (Norli Liv or NL), each of which conducts life insurance business.

The insurance companies in the group and the group's holding company are subject to regulation under the common EU rules called Solvency II.

The focus of the regulatory framework is on how companies measure and manage their risks.

The requirements are met

As stated in this report, the company meets the requirements for sufficient capital, and the company has decided on a capital management model and a management system that ensures that there is sufficient capital to run the business on a satisfactory basis in the future.

In the regulation that specifies the content of this report, there are repeated references to "the company", "the board of directors" or "the management". In all these cases, the report will describe the conditions in Norli Liv og Pension Livsforsikring A/S, unless it is stated that the description covers several or other of the Group's companies.

Standard model

The company considers that the standard model for calculating the solvency requirement set out in the rules is appropriate.

Values according to recognized methods

The method for calculating the solvency requirement is modular and includes all facets of the company's operations. For parts of the statements, the values cannot be observed in a market. In these cases, the values are calculated either on the basis of rules laid down by the supervisory authorities or according to internationally recognised financial and actuarial methods.

Significant changes

During the reporting period, a portfolio transfer of the insurance portfolio and associated assets from Norli Pension to Norli Liv was carried out. Following the transfer of the portfolio, Norli Pension has not had any insurance portfolio for the remainder of the reporting period. Finally, the Group has established Nordisk Pensionservice (NPS), which will act as a service provider in the group so that the Group's life insurance companies are outsourcing their insurance operations to NPS in accordance with written agreements prepared in accordance with the arm's-length principle.

In 2025 Norli Liv has outsourced investment management of its investments in equities and private credit to a global provider of investment management services. Finally, Norli Liv has entered an agreement with Clearwater Analytics to provide fund management and reporting services to the company for the investment assets.

SUMMARY

During the reporting period, there have been no other significant changes in the company's activities.

Changes after the reporting period

At the beginning of 2026, Claude Reffs has re-signed from executive management, and his responsibilities have been handed over to Peter T. Christensen.

No further significant changes have been decided or implemented to the company's operations after the end of the reporting period.

CONTENT AND STRUCTURE OF THE REPORT

The report consists of 5 chapters:

- Chapter A** - Company and results
- Chapter B** - Management system
- Chapter C** - Risk profile
- Chapter D** - Valuation for solvency purposes
- Chapter E** - Capital management

Chapter A contains an overview of the company's activities and results. For further information please refer to the company's annual report.

Chapter B provides an overview of the management system's structure in relation to overview of and control of the company's risks. The rules require the establishment and operation of four key functions: Risk Management Function, Compliance Function, Actuarial Function and Internal Audit Function. The chapter reviews how the company has implemented these functions.

Chapter C describes the risk profile and risks, including how these are measured and managed, and is an important basis for

Chapter D describes differences between valuation methods for the calculation of assets and liabilities for the purpose of calculating solvency requirements and in the financial statements. At the same time, it explains the specific valuation methods used when these are not provided by the regulatory authorities or in cases where prices cannot be observed in a market.

Chapter E on capital management, which reviews the company's capital structure and strength.

Publication of reports

With the common European rules, there are comprehensive requirements for the reports to be made to the supervisory authorities. Part of these reports shall be made publicly available together with this report. Appendix 1 provides the required reporting forms and financial information for the reporting period.

CHAPTER A – ACTIVITIES AND RESULTS

Chapter A – Activities and results

This chapter reviews the company business activities and reported results.

A.1 COMPANY

The company is a Danish insurance company, which specializes in handling traditional guaranteed pension agreements. The company is fully owned by Norli Group A/S (the Group, holding company or parent company). The company has a subsidiary, Norli Liv og Pension Ejendomsinvest A/S, which is a real estate investment company – that owns and operates the majority of the company's portfolio of real estate.

In 2025 Q4 the Group has established Nordic Pensionservice (NPS), which will act as service provider in the Group so that the Group's life insurance companies are outsourcing their insurance operations to NPS in accordance with written agreements prepared in accordance with the arm's-length principle. The company is in a process where employees and systems is being transferred from Norli Liv to NPS while written service level agreements are being agreed to specify the future services to be rendered.

Associated Controlling Bodies

The company is subject to the Danish Financial Supervisory Authority:

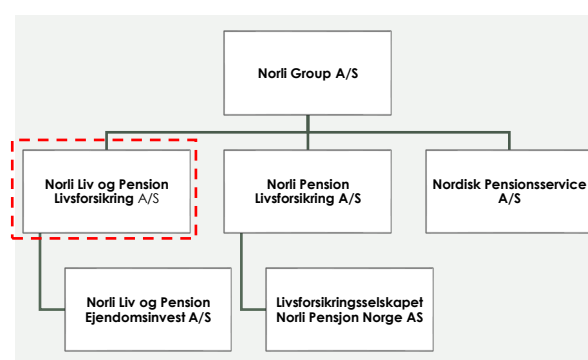
Supervisory authority	
Name	The Danish Financial Supervisory Authority
Address	Strandgade 29
Telephone	+45 33 55 82 82
E-mail	Finanstilsynet@ftnet.dk
EAN number	5798000021006
CVR number	10598194

The external audit of the company's official accounts is carried out by the auditing firm EY Godkendt Revisionspartnerselskab:

External Reviewer	
Name	EY Godkendt Revisionspartnerselskab
Address	Dirch Passers Allé 36, 2000 Frederiksberg
Telephone	+45 7323 3000

Ownership

The Norli Liv is owned by Norli Group A/S which in turn is owned and controlled by Thomas Vinge Hansen and Nordic I&P DK Finans ApS.



1

The voting rights in Norli Group A/S are held by Thomas Vinge Hansen.

¹ All ownership relationships in the diagram shown are 100% ownership

CHAPTER A – ACTIVITIES AND RESULTS

Based on nominal number of shares, the ultimate beneficial owners of the share capital in Norli Group A/S are Thomas Vinge Hansen (63.61%), Alfred Ganther (12.13%), Urs Wietlisbach (12.13%) and Marcel Erni (12.13%).

Business model

The company's business model is reproduced in excerpts below. The company's business model is to offer new and existing policyholders traditional guaranteed pension products based on the objective of a cost-effective and targeted service to customers.

The company wants to expand the scope of its business. Currently, three main models for enlargement have been identified:

- Growth can take place through the acquisition of pension portfolios consisting of traditional pension products in run-off through portfolio transfers or company transfers from pension companies, pension funds and insurance companies.
- Growth may also be achieved through the full or partial transfer of the economic risk and management of pension portfolios comprising traditional pension products in run-off, where the underwriting pension company wishes to retain the customer relationship. Such transactions may take the form of reinsurance agreements or similar risk transfer

mechanisms, provided that the necessary framework and other prerequisites are in place.

- Growth may also occur through ordinary organic growth in the company. The company's expansion of the business scope will continue to take place in the Danish market.

The Norli Group has merged its current life insurance activities in Norli Liv by transferring the life insurance activities in Norli Pension to Norli Liv and has completed this at the beginning of 2025.

Norli Liv underwrites individual and company schemes on the Danish life insurance market. The product range includes insurance cover and various forms of savings. The most important types of insurance are cover in the event of death, reduced earning capacity, critical illness and health insurance, while savings include retirement pension, annuity pension and annuities.

The company's group insurance policies are primarily issued by Forenede Gruppeliv, of which Norli Liv has an ownership stake.

Products

The company underwrites guaranteed interest rate products with benefit guarantee and the possibility of surrender. In addition, the company has a closed portfolio of old annuities without the right to a bonus (taken out on the basis of U74 and L66) and a stock of health and accident insurance. The company's group insurance policies are primarily underwritten by Forenede Gruppeliv.

Asset management

In 2025, the company pursued a conservative investment strategy with hedging of the

CHAPTER A – ACTIVITIES AND RESULTS

company's liabilities. The company's asset portfolio primarily consists of Danish mortgage bonds, equities, properties (via Norli Ejendomsinvest) and credit assets, including alternative credit.

Outlook for 2026

The company's budget projections for 2026 show an expected volume in premiums in line with 2025.

In the budget for 2026, the company expects a profit of mio.kr 175-180 before tax.

A.2 INSURANCE PERFORMANCE

Below are the company results for 2025 and 2024 for comparison. The table is a decomposition of sources. The table is based on note 10 in the company's Annual Report:

Norli Liv:

Profit (DKK-million)	2024	2025	Budget 2025	Budget 2026
Interest result	94	62	107	97
Expense result	-6	10	11	-7
Risk result	41	32	34	33
Health and accident	19	18	16	16
Policies without bonus	1	1	-2	0
Forenede Gruppeliv	22	23	17	20
Own capital assets	12	21	11	18
Items related to portfolio transfer	-	-5	-	-
Profit before tax	183	162	194	178

A.3 INVESTMENT PERFORMANCE

The objective set through the subsidiaries' investment strategies is that the investment portfolios achieve an attractive risk-adjusted return by investing in a diversified portfolio of assets, considering the available risk capacity of the company's policyholders. Interest rate hedging is used to hedge the life insurance provisions against interest rate movements. The investment portfolios are invested in high-quality bonds with low credit risk, credit assets, equities and real estate, while interest rate risk is managed using interest rate derivatives.

SFCR+RSR: Investment performance information (Articles 293(3)(a) and 307(3)(a))

[information on income and expenditure on investment activities during the last reporting period, a comparison of the information with the previous reporting period and the reasons for any significant changes, Art. 307(3)(a)];

Return on investment (mio.kr.)	Investment assets end 2025	Return 2025	Investment assets end 2024
Bonds and loans	10.902	3,0%	10.557
Equities	805	10,7%	1.532
Properties	1.656	6,6%	2.508

Source: Norli Liv og Pension Annual Report, note 15

CHAPTER A – ACTIVITIES AND RESULTS

The return on investment for the different asset types corresponds to the market return, and deviations between periods are therefore mainly due to general market movements.

SFCR+RSR Securitisations (Art. 293(3)(e) and 307(3)(e))

[Information on any investments in securitisation and the company's risk management procedures in relation to such securities or instruments, Article 307(3)(e)]:

The company does not invest in securitisations and is not currently able to do so in accordance with the company's investment policy.

A.4 RESULTS OF OTHER ACTIVITIES

The company's affiliated company Norli Liv og Pension Ejendomsinvest A/S had a profit of mio.kr 101.6 in 2025. In 2024, the corresponding result was 87.3 mio.kr. The improved result is due to a positive development in the value of properties and a continued stable and positive development in rental income. In 2025, the company continues to calculate market values with a DCF model.

The company does not have any further business activities than those described here and in the previous paragraphs.

A.5 OTHER INFORMATION

There is no material information in the reporting period about the company's operations and the results for the year other than that set out in the previous sections.

On page 2 of this report, you will find an overview of all companies in the Norli Group

Chapter B – Management system

This chapter describes the company's management system, including the risk and control system, and functional descriptions for key areas of responsibility in relation to this.

B.1 GENERAL INFORMATION ABOUT THE MANAGEMENT SYSTEM

This section is divided into the following subsections:

- Structure of the management system
- Responsibilities and functions of key positions
- Changes in the management system
- Remuneration policy and practices

Structure of the management system

The company has organised itself with a professional Board of Directors, an Executive management and a management system with complementary control functions.

Board of Directors

In 2025, the company's board of directors consisted of the following people: Vivian Lund, Nina Christensen and Henrik Gade Jepsen.

All members of the Board of Directors are elected annually at the Annual General Meeting, there is possibility of re-election,

² The paragraph describes the division of responsibilities end of 2025. At the beginning of 2026,

and all of the members of the Board of Directors meet the statutory requirements for independence.

The Board of Directors has considered the qualifications and skills necessary for the Board of Directors in relation to the company's business plan, and the assessment is that the Board of Directors meets the requirements for qualifications and skills. The Board of Directors conducts an annual self-assessment process in relation to the established requirements.

In 2025 the Board of Directors held 12 Board meetings, 4 of which were ordinary meetings, the remaining meetings were extraordinary meetings.

Executive management of the Company²

The Executive management consisted of Claude Reffs and Peter T. Christensen during the reporting period. The division of responsibilities between the directors is documented in writing. An assessment is made on an ongoing basis as to whether the division of responsibilities needs to be updated.

Claude Reffs was responsible for the administration of the life insurance business including, but not limited to IT, customer service and management, HR and business development. In addition, the activities include significant parts of the actuarial area in relation to actuarial services, including pricing, reinsurance and claims.

Peter T. Christensen is responsible for the Executive management Secretariat, including legal, accounting, funds and investments as

Claude Reffs has resigned from executive management, and his responsibilities have been handed over to Peter T. Christensen.

CHAPTER B – MANAGEMENT SYSTEM

well as risk management, including actuarial models, capital management and financial risk management with a view to risk reduction.

Key Features

The company has key employees for statutory functions: actuarial function, risk management function, compliance function and internal audit function. The company has not identified other key functions.

Split Appointments

The company uses split appointments, as the same people who are key employees in Norli Liv also hold similar functions in the group's other regulated companies. Claude Reffs and Peter T. Christensen are similar directors of all regulated companies.

Responsibilities and key functions of key personnel

The key persons mentioned in the section above constitute the corresponding key function at the same time.

The tasks of the actuarial function are specified in a function description for Norli Liv which includes tasks regarding the calculation of provisions and insurance risk management.

The risk management function is responsible for the company's risk management system and overall risk management across risk sources.

The compliance function is a central part of the control system.

The key person for Internal Audit assesses the appropriateness of the management system and key functions. The key person for internal

audit is a part-time employee in the company at the same time as the function is handled under outsourcing by the company Advisense A/S.

All key employees have split employment with the other regulated entities in the group, and the key functions have been established in collaboration with the group to achieve efficient and stable operations.

The company has not identified any additional key functions/key persons in addition to the four functions set out in the Solvency Regulation.

Changes in the management system

In 2025 no further changes have been made to the management system than those described above.

Remuneration policy and practices

It appears from the annual cycle of the Board of Directors that the Board of Directors must annually review the company's remuneration policy. This takes place at the board's ordinary board meeting in the first quarter. The Board of Directors recommends the Annual General Meeting to approve the remuneration policy adopted by the Board of Directors. The Company's Annual General Meeting shall be held well in advance of the deadline for submission of the Annual Report approved by the General Meeting to the Danish Financial Supervisory Authority.

Remuneration

The company has approved a bonus program and a remuneration policy. The bonus program applies to management and selected key employees. The bonus program is in line with market standards.

CHAPTER B – MANAGEMENT SYSTEM

The remuneration policy is determined by the boards of directors and is subsequently approved by the annual general meetings. The remuneration policy applies to the Board of Directors, management and employees if the employees' activity has a significant impact on the company's risk profile. For management, variable remuneration can amount to up to 50% of the basic remuneration including pension contributions. For significant risk takers, the variable remuneration can amount to up to 100% of the basic remuneration including pension contributions. It also applies that at least 50% of the variable remuneration must consist of subordinated debt. For management, the payment of 40% of the variable remuneration must be deferred for a four-year period, for significant risk takers the duration of the deferral is three years. However, if the variable remuneration of a significant risk taker exceeds a certain amount, 60% of the variable remuneration must be deferred for a four-year period. This applies to the management as well.

Ongoing commitment

The Board of Directors reviews and reassesses the remuneration policy once a year with a view to align the remuneration policy with any changes in the business model and economic results. The Board of Directors is responsible for making adjustments to the remuneration policy and for presenting the revised remuneration policy to the Annual General Meeting. The company's annual general meeting most recently approved the remuneration policy on 2 April 2025. The remuneration policy is published on the company's website.

Delimitation

The following remuneration components are subject to limitation:

Pension benefits that can be equated in whole or in part with variable pay, as well as severance schemes that are not covered by law or collective agreements, are also to be regarded as variable remuneration components and subject to the same restrictions as these.

The deferred part of the variable remuneration is only paid if it is sustainable in relation to the company's financial situation at the time of payment.

Remuneration of the Board of Directors and Executive management

To the extent that a member of the Board of directors is remunerated, it is done with a fixed fee. In 2025, the members of the Board of Directors received fixed remuneration. The Executive management is remunerated with a fixed fee with the possibility of variable remuneration. The Executive management's employment contracts meet applicable legal requirements for agreements on variable remuneration in financial undertakings.

Employees in control functions

For employees in control functions who are not at the same time defined as significant risk takers, to the extent that such an employee is covered by a remuneration scheme with a variable remuneration component, a variable remuneration component cannot be dependent on the performance of departments which the employee supervises.

CHAPTER B – MANAGEMENT SYSTEM

B.2 FIT AND PROPER REQUIREMENTS

The company seeks to employ competent and dedicated employees based on the competencies that follow the company's business model. The employees are responsible for the day-to-day operations.

Fit and Proper assessments are made by the company itself in accordance with the fit and proper policy adopted by the Board of Directors. Notification is made to the Danish Financial Supervisory Authority in situations where there is a duty to report.

In connection with their employment with the company, members of the Board of Directors, Executive management members and key employees must submit information to the Danish Financial Supervisory Authority for use in the Danish Financial Supervisory Authority's assessment of their fit and proper status. The Danish Financial Supervisory Authority then notifies each company and each individual whether the application can be approved.

The persons have an ongoing duty to notify the Danish Financial Supervisory Authority in case their circumstances change in such a way the fit and proper status cannot be upheld. It is the company's responsibility, in accordance with the law, to continuously ensure that the people covered are always fit and proper. Up to date criminal records for employees are obtained annually to support this assessment. It is the company's responsibility to notify the Danish Financial Supervisory Authority if an affected person is expected to lose their fit and proper status.

B.3 THE RISK MANAGEMENT SYSTEM, INCLUDING THE ASSESSMENT OF OWN RISK AND SOLVENCY

The company conducts its business by actively assuming and managing risks which are consistent with the company's business model.

The Board of Directors has the ultimate responsibility for the company's risk management, including:

- Setting risk management strategy, risk tolerance targets and risk exposure limits;
- Approve the risk management policy, and
- Assess the policy annually and decide on any changes.

Executive management

The Executive management has overall responsibility for the management and control of the company's risks and is responsible for communicating and implementing the Board's guidelines for risk management, control and compliance. The Executive management prepares more detailed procedures for the operational management, management and control of the company's risks based on the Board's governing documents.

In addition, the Executive management is responsible for ensuring that the company's organisation and allocation of responsibilities within the risk management system are organised in accordance with the principles described in the Risk Management Policy and associated governance frameworks for the risk management system.

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Key person for the risk management function

The company's key person for the risk management function is the person responsible for the risk management function and is responsible for:

- Contribute to the formulation of the company's risk strategy,
- Develop and monitor the company's risk management system and,
- At an overall level, to assess whether the risk management system contributes appropriately to the company's vision.

In addition, the key person for the risk management function is responsible for the tasks mentioned in the current function description for the risk management function in force at any given time.

The key person for the risk management function will report regularly to the Board of Directors. As a rule, quarterly reports are made to the board.

Risk management

The company's risk strategy, risk management policy and associated management framework for the risk management system set limits for risk exposure. These limits thus determine the company's risk appetite. Within the framework of these limits, the company must continuously make the business decisions that best achieve business objectives for policyholders and shareholders as defined in the business strategy.

Active risk management must take place on an ongoing basis through business decisions that require a balance between value creation and risk exposure and between different types of risk exposure.

Risk management processes

The company's risk management processes include the processes through which the risk strategy is implemented and operationalised based on the boundaries and rules, as well as the responsibility and decision-making structure that follow the company's risk management policy. Overall, the risk management processes must ensure that the company operates according to the risk and business strategy, and that there is appropriate risk control in place.

Reporting is an important part of risk management. Risk information and reports are provided on a fixed schedule and must be timely, reliable, complete and appropriate to the recipient. The reports contain the information necessary to make decisions and initiate tasks in accordance with the company's strategy. At the same time, separate risk assessments are prepared prior to the board's decision in other contexts.

Risk committees and cooperation in the management system

The Boards of Directors have appointed an **Audit and Risk Committee** which, in addition to supervising the audit area, monitors the company's risks, capital plan and implementation of new business in accordance with the applicable instructions.

The company has established a **Risk & Compliance Committee (RCK)**. At quarterly meetings of the RCK, the Executive management, key persons and business managers review incidents, the business control environment, compliance reviews, Internal Audit and external audit recommendations, new legislation, the status of SLA agreements, identified risks, etc. In addition, the

CHAPTER B – MANAGEMENT SYSTEM

cooperation between the key personnel is coordinated at the RCK meetings.

The work in RCK follows the following work description.

RCK's purpose is to create a comprehensive overview of risks and the control system as well as the management of these. RCK ensures that the risk owners (business managers)– see below – who are responsible for the execution of 1st line of defence, discuss the current risk situation and follow up on incident reporting, just as RCK ensures the implementation of initiatives with a view to dealing with the incidents reported via the incident registration system. Finally, RCK acts as a preparatory committee for the Board's work in relation to risk management.

The RCK consists of the following:

- Executive directors
- CRO / Risk Management Function
- Appointed Actuary and actuarial function holder
- CIO
- Head of Legal Affairs
- Key person for the compliance function
- Head of Customer Sales
- Heads of business processes in primary outsourcing provider NPS (customer service, business development, IT).

In addition, the internal audit function is represented at the meetings so that the function acquires in-depth knowledge of the topics discussed, can follow up on the function's recommendations and otherwise challenge the business managers and the other key functions on the design and effectiveness of the control system.

RCK is responsible for the following:

- Preparation of material for the board's work with risk.
- Overall risk management in the company, including in particular identification, assessment and reporting of risks. To this end, a register of potential material risks is maintained, as well as a register of possible risks to be investigated in the upcoming period.
- Follow-up on incident reporting and launch of initiatives to deal with the incidents reported via the company's incident registration system.
- Discussion and assessment of the company's internal control system. An assessment must be made in relation to the registered incidents.
- Discussion of new legislation and industry initiatives that are to be implemented in the company with a view to launch and follow-up of the implementation project/activity.
- Identification and documentation of conflicts of interest in the company.
- Information about the compliance function's planning and reporting of concluded compliance investigations.
- Follow-up on the implementation of internal audits, the recommendations of the compliance function and external audit.
- Monitoring of completed SLA follow-up, outsourcing control and management.
- Contribute to the foundation for the Executive Managements assessment of resource requirements.

RCK meets at least once a quarter and does not have a decision-making mandate but

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plays a key role in communication regarding risk management, compliance and control in general in the company, including cross-functional collaboration.

In addition, the company has established a **Financial Risk Management Committee (FRK)** as a supplement to the Risk and Compliance Committee with the aim of ensuring that the capital situation remains satisfactory while at the same time optimising returns on both policy holder funds and own capital. The FRK consists of the Executive Management, CRO, CIO, Appointed Actuary, Key Person for the Actuarial Function and additional selected employees from the Investment and Risk Management functions. The objective is ensured by the following:

- To monitor the impact of the financial markets on the company's capital situation
- To prepare a basis for decisions and recommendations to the Board of Directors so that the Board of Directors can implement required solutions for the company's assets and liabilities.
- To deal with significant tactical asset allocation decisions.
- In addition, the FRK monitors the following risks on a monthly basis:
 - Liquidity risk
 - Solvency risk, including capital planning
 - Market risk, including asset allocation limits
 - Non-financial credit and counterparty risk
 - Registered assets – most recent regulatory reporting.

The committee usually meets monthly or more frequently if required. In 2025 12 meetings of the FRK were held. The FRK operates

within limits applicable to the company's risk appetite for market risk, as well as policies and guidelines issued by the Board of Directors and any limitations thereto set by the Executive management.

A Credit and Valuation Committee (KVK) has also been established under the FRK to monitor, report and recommend to the FRK regarding the company's credit investments and valuation of unlisted assets. In 2025 12 meetings were held. Reports and minutes from the KVK meetings are communicated to management and the board via the FRK reporting.

Identification

The company has well-integrated processes and procedures across the organisation for the timely identification of the risks to which the company is or may potentially be exposed. In addition, unintentional incidents are collected and reported. The Board of Directors is continuously involved in identifying potential risks and assessing their potential impact on the company.

Similarly, there are procedures for escalating new or significant risks as well as adverse events to key personnel, the Executive management and/or the Board of Directors as needed.

The company keeps a log of unintended incidents, both those that have resulted in losses and those nearby incidents where the loss was averted.

Adverse events are reported monthly to the Executive management and quarterly to the Board of Directors, the **Audit and Risk Committee** and RCK.

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Handling

The company manages risks either by allocating capital to cover them or by reducing or accepting risks, as well as by monitoring risks.

In the event of exceeding risk exposure limits, the risk level is restored to a level within the established mandates and excesses are reported to the Board of Directors in accordance with the established guidelines.

Ongoing follow-up and decision-making

At least once a quarter, follow-up meetings are held with all risk owners. A risk matrix is continuously updated at company level. At least quarterly, the risk picture is discussed under the auspices of RCK. Based on this, an overall assessment is prepared, which is subsequently discussed at the next board meeting.

Following discussions with risk owners, the Executive Management, control functions and the Board of Directors, it is continuously assessed whether there have been changes in the risk picture that affect the conclusions of the Board of Directors' risk assessment.

The company continuously monitors the risk profile to ensure that the company has sufficient competence, processes and tools as the risk picture changes over time. This is done through ongoing follow-up of the company's risk tolerance limits.

The purpose of the risk tolerance limits is to ensure that the company's overall risk appetite is respected. Reference is made here to the limits in force at any given time, which are followed by the auspices of the FRK.

Own Risk and Solvency Assessment (ORSA)

The company must carry out an Own Risk and Solvency Assessment (ORSA) at least annually. The purpose of ORSA is to ensure that the company's solvency and capital position is compatible with the requirements of the company's risk system.

The ORSA process is carried out annually or more often if required.

The purpose of the risk assessment is to create an overall understanding of the company's most significant risks now and during the strategic planning period.

In the process, an assessment of the company's overall risk picture is made based on:

- Identification and assessment of risks – including whether the solvency method is fair and which risks are material to the company.
- Sensitivity analyses – how much the solvency requirement changes and management of risks in stress scenarios.
- Extrapolation and monitoring – capital situation and/or effect of risk mitigation measures.
- Scenario analysis of the capital requirement – changes in solvency coverage due to significant risk scenarios.

The solvency requirement is compared to the available capital. The capital contingency plan ensures compliance with the company's solvency requirements in situations where developments deviate negatively from expectations.

The ORSA process provides an awareness of quantifiable as well as non-quantifiable risk

CHAPTER B – MANAGEMENT SYSTEM

exposures within the company. The results and insights gained in the process are actively leveraged in the management of the company.

The ORSA report contains the results of the company's integrated work on risk identification, assessment, management, communication of risks and monitoring of risks to which the company is or may be exposed. It is prepared based on guidelines from the board. The Board of Directors assesses and approves the ORSA process and the ORSA report. The ORSA report must be submitted to the Danish Financial Supervisory Authority no later than 14 days after the approval by the Board of Directors. The results and conclusions from the ORSA process are communicated to relevant employees in the company.

SFCR: ORSA-process (art. 294, 4, c)

Explanation of how the company has arrived at its own solvency needs considering the risk profile, as well as the cooperation between asset management activities and the risk management system (Article 294(4c))

The ORSA process is based on the company business model and risk strategy. In the context of the company's insurance portfolio, operating profit and expected development, the standard model calculates a solvency requirement, which is subsequently assessed in conjunction with the risk profile, investment activities and risk management system.

ORSA reviews the standard model in relation to all the risks identified in the company and concludes that the Standard Model can be used to calculate the company's solvency capital requirements.

The company shares a Capital Structure Policy with the Norli Group that establishes the framework for The Group's capital structure to ensure that companies in The Group at all times have a satisfactory capital base in the form of both accounting equity and solvency capital (equity and solvency capital).

The calculated solvency requirement and associated overall assessments are discussed at Board meetings and at **Audit and Risk Committee** meetings in accordance with the Board's annual cycle and the annual cycle for the **Audit and Risk Committees**.

The Board of Directors assesses that the company's focus on risk management and capital adequacy is satisfactory. In particular, the Board of Directors notes the prioritisation of reporting on the company's risks as well as the ongoing dialogue on risks and capital matters and the company's robustness in relation to changes in assumptions at each Board meeting.

The Board of Directors also notes that the company's management focuses on the most significant risks in the company, including the fact that the company has particularly employed competencies in financial risk management.

In line with the company's commercial status, where guaranteed products have been sold and continue to be sold, the company has a less complex structure in terms of asset management. The exception to this is the need for tight control of interest rate hedging, considering contribution principles, etc. The risk management system is designed precisely under these conditions, where the ALM-related interest rate exposure in particular is closely monitored and managed.

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B.4 INTERNAL CONTROL SYSTEM

Description of the company's internal control system

The company's control environment is designed with a company-adapted application of the principle of three lines of defence. The three lines of defence form the general basis for the company's risk management, risk control and regulatory compliance.

The Company has a particular focus on control of outsourced tasks. The control is further described in section B.7 "Outsourcing".

Operations – first line of defence

The first line of defence is predominantly handled by the operational business units as well as by the company's operational outsourcing partners. This means that the business units are responsible for managing operations and controlling the risks that result from them.

The internal controls in the company are monitored and reported as part of the external audit's ongoing audit.

The internal controls of the outsourcing partners are monitored and reported via their own internal control systems.

Reporting on controls is done to both the risk management and compliance functions in the company. The reported risks will be discussed in the company's RCK Committee as described above.

The company's functions in the second line of defence

The second line of defence carries out independent and impartial follow-up of the management and control of the company's risks

and compliance within the rules in the first line of defence.

The second line of defence is made up of competent functions and employees who are not compromised by the operation or operational controls performed. As a starting point, independent control can be carried out by the following key persons:

- Key person for the actuarial function
- Key person for the risk management function
- Key person for the compliance function

The second line of defence also carries out tasks of a supportive nature in the company, such as information and advice.

The organisation and management of the company and the people in the second line of defence are designed to ensure that it does not risk jeopardising the requirements of independence and impartialness.

Key functions in the third line of defence

The third line of defence is responsible for carrying out an independent assessment (investigation) of the work of both the first and second lines of defence. The evaluation is initially directed towards the follow-up (control) carried out in the second line of defence.

Internal auditing is the third line of defence.

Appropriate reporting routines at all levels of the company

Reporting routes within the units in the first line of defence and to/from the units in the second line of defence are supplemented by reporting routines to:

- Third line of defence

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- Company committees
- Board of Directors and Executive Management of the company

in accordance with the organisational structure and management system of the company at any given time.

Internal controls at all levels of the company

The control system includes requirements for approvals, authorisations, controls, management assessments and other appropriate measures within the individual areas of responsibility. These requirements are described in more detail and expressed in business procedures in all significant areas of activity in the company.

For the compliance function and the internal audit function, the annual controls are set out in the respective multi-year plans submitted to the Board of Directors of the company.

Independence

It is of fundamental importance that the controls are independent in relation to day-to-day operations. It is therefore also the responsibility of the Board of Directors to ensure that the functions can maintain their independence from day-to-day operations, and that the organisational affiliation of the functions does not jeopardise their independence or the prerequisites for performing the tasks.

The company has a policy on internal control. The policy contains requirements and guidance on:

- Internal control
- Cooperation between functions in the three lines of defence

- Reporting routines
- Compliance function

Compliance function

The compliance function is part of the second line of defence.

Area of responsibility

The compliance function is responsible for monitoring the company's legal compliance. The Board of Directors is ultimately responsible for ensuring that the company complies with the obligations arising from laws and other regulations, etc., that regulate the company. This includes, among other things, the responsibility for ensuring that the Executive management has appointed a key person for the compliance function.

Tasks in the compliance function

The compliance function identifies, assesses, controls and reports risks of sanctions, significant financial losses or loss of reputation that may affect the company because of non-compliance with the regulatory part of the business (compliance risks).

Compliance plan

Each year, the key person for the compliance function prepares a plan for the activities that the compliance function will focus on in the coming year.

Reporting

The compliance function reports to the Board of Directors and the Executive management. The key person for the compliance function is responsible for the reporting.

Reports are (at least) annually on

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- assessment of developments and changes in the business area from a regulatory point of view,
- compliance-related incidents;
- compliance checks, and
- other compliance-related observations.

In addition, the status of the compliance plan is reported at each ordinary board meeting. The **Audit and Risk Committee** is informed at ordinary **Audit and Risk Committee** meetings about new legislation.

Independence

It is of fundamental importance that the compliance function is independent in relation to day-to-day operations. It is therefore also the responsibility of the Board of Directors to ensure that the compliance function can maintain its independence from day-to-day operations, and that the function's organisational affiliation does not jeopardise its independence or the prerequisites for performing the tasks.

The following is stated in the internal control policy:

- the role, responsibilities and mandate of the compliance function;
- managing compliance risks;
- general reporting requirements as well as relation and handling of contact with supervisory authorities.

B.5 INTERNAL AUDIT FUNCTION

Internal audit is the 3rd line of defence and reports to the Executive management.

Area of responsibility

Internal audit must make assessments of whether the internal control system and

management system are appropriate and effective.

The key person's responsibility is to ensure that the internal audit function plans, executes and reports on the function's work in accordance with the board's internal audit policy.

Tasks in the internal audit function

The internal audit function is responsible for identifying risks associated with the company's significant business processes. In addition, the effectiveness of the internal control environment, including the 2nd line of defence, is monitored.

Audit Plan

Each year, the key person prepares a plan for the activities that the internal audit function will focus on in the coming year.

Reporting

The internal audit function reports to Executive Management, and at the request of the Board of Directors. The key person for the internal audit function is responsible for the reporting.

The report includes a deadline for rectifying any recommendations, specifies who is responsible for remedying these, and provides information on the status of recommendations that were not remedied by the submission of the previous audit report.

Independence

The key person for the internal audit function is not part of the companies' daily operations. In addition, it is ensured that the key person for the internal audit function can report directly to the board.

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B.6 ACTUARIAL FUNCTION

The actuarial function is generally located in the second line of defence but can also participate in certain activities in the first line of defence, such as calculating prices in connection with tariff classification. In such cases, independence must be ensured in the control of activities.

Actuarial functions tasks and responsibilities

The tasks and responsibilities of the actuarial function are described in Appendix 8 of the Executive Order on Management of Insurance Companies, etc.

The actuarial function is responsible for the fulfilment of these tasks as well as the performance of tasks imposed on the actuarial function, including compliance with statutory deadlines and requirements for the actuarial function's areas of responsibility.

The actuarial function in Norli Liv thus has a wide range of tasks in connection with the insurance business, which are laid down in legislation and supplementary guidelines and rules. The actuarial function reports to the Board of Directors at all ordinary board meetings with fixed agenda items.

B.7 OUTSOURCING

Outsourcing refers to the company's use of a third party for the purpose of performing services that would normally be performed by the company itself. Reference is also made to chapter B.1 for a supplementary description regarding outsourcing of Internal Audit.

All outsourcing is associated with changed risk and although outsourcing can reduce risks, the outsourcing itself will entail inherent

risks in terms of conflicts of interest, control system, reporting, etc. Handling and follow-up must always be proportionate to the risks involved in the outsourcing.

The board's decision and approval

If decision regarding outsourcing is related to a critical or important area of activity, the outsourcing must be decided by the Board of Directors in advance.

Executive management tasks, which include strategic management, control and risk management, cannot be outsourced to an external party.

It is the Executive Management that is responsible for ensuring that the outsourcing is submitted to the Board of Directors for decision in accordance with the outsourcing policy adopted by the Board of Directors. The policy determines, among other things, the content and extent of the analysis that must be carried out before a decision can be made on outsourcing.

The analysis must include at least an assessment of the following factors

- Whether a function or activity is *critical or important*
- Business pros and cons
- Financial advantages and disadvantages
- Compatibility with law and practice
- Tax implications
- Risks associated with outsourcing and how these are managed and controlled
- Ensuring that the risk levels of the contracting party comply with the company's risk policy
- The contracting party's ability (ability and capacity and whether the supplier

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has any necessary permissions) to complete the work in a manner that satisfies the company

If doubt arises as to whether this is a significant area of activity, the Executive Management must discuss the need for the Board's decision and approval with the outsourcing policy specialist, and this in ample time so that it is actually possible to submit the agreement to the Board of Directors before the agreement is concluded. In practice, the board will be presented with a number of these cases to ensure clear practice. Decisions on outsourcing non-essential tasks may be made by Executive Management.

Entering into or making changes to outsourcing agreements may be subject to a requirement for prior reporting to the Danish Financial Supervisory Authority.

Below is a list of the critical and other important operational functions that the company has outsourced or has outsourced in the previous period:

Norli Life and Pension:

Service	Outsourcing provider
Customer administration (contracted in the year)	NPS
Actuarial function (contracted in the year)	NPS
Finance function (contracted in the year)	NPS
HR function (contracted in the year)	NPS
DPO (discontinued during the year)	Bech-Bruun

DPO (Contracted in the year)	Stougaard and Bech
Insurance surveillance	Your Company
Internal audit function	Adviseense
Portfolio management (discontinued during the year)	Nykredit Bank*
Portfolio management (contracted in the year)	JPM AM*
Fund administration (discontinued during the year)	Gabler
Fund administration (entered into during the year)	Clearwater
Property Management	Focus on Asset Management
IT operations (discontinued in the year)	Netic
IT operations (contracted in the year)	NPS

* Partial outsourcing

Management and control of outsourced tasks

The Board of Directors and Executive Management bear the ultimate responsibility for the outsourced tasks.

The outsourced tasks must be solved with at least the same quality requirements as are set for internally solved tasks. The company checks that outsourcing suppliers have appropriate processes and organisation to carry out the tasks assigned to them, and that these tasks are carried out in accordance with the outsourcing agreements.

B.8 OTHER INFORMATION

It is the assessment that the company's management system is fully described in the preceding sections. It is the assessment that the

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management system is adequate to manage and control the company's risks.

SFCR: Information on significant transactions with shareholders, management and key function managers (Art. 294(1)(d))

[significant transactions with shareholders, directors and the like Art. 294(1)(d)]

There have been no significant transactions of this kind during the reporting period.

SFCR: The management system is adequate in relation to the nature, extent and complexity of risks (Art. 294, 9)

[an assessment of the adequacy of the company's management system in relation to the nature of the scope and complexity of the risks associated with the company's business. Art. 294, 9]

The management system with a board of directors, **audit and risk committees** and executive management is based on legal requirements. The Board of Directors, the Executive Management and the company's committees are composed in terms of competence to ensure that the risks associated with the company's business are assessed and managed in accordance with the nature, scope and complexity of the company's risks.

The company has implemented self-evaluation processes in the form of the Board of Directors' self-assessment, at least annual updating of the framework for the management system, fit and proper assessments, frequent and close resource monitoring, where key functions report to senior management on the adequacy of the appropriateness thereof. The processes help to ensure that the management system continuously

adapts to changes in relation to the nature, scope and complexity of the company's risks.

On this basis, the management of the company is assessed as adequate.

Chapter C - Risk profile

This chapter reviews the company's risk profile with reference to the risk categories included in the standard model for calculating solvency requirements. Each risk category is reviewed in separate sections. Before the individual risk categories are reviewed, the company's business model, the overall risks of the company have and the content of the standard model for calculating solvency requirements for insurance companies are described.

The business model

As stated in Chapter A, the company's business model involves acquiring guaranteed life insurance portfolios and, as a result, selling and managing traditional guaranteed pension products with the aim of providing a cost-effective and targeted service.

The guaranteed insurance products mean that the company is exposed to residual risk. Policyholders' buffers and active risk management must control and adapt the risk to an adequate level consistent with the available equity capital. The most significant of the risks to which the company is exposed are quantified in the Solvency II standard model for calculating the solvency requirement.

Risk strategy

Based on the business model, the company has adopted a risk strategy that is shared with all the companies within the Group and which constitutes a common basis for decisions regarding risk tolerance in the Group's companies. The company's other strategies, policies and guidelines must reflect and implement the adopted risk strategy.

The company's business model entails a special risk exposure, which the company's risk management system must be effectively designed towards:

- The company is particularly exposed to high-risk areas arising from the portfolios of life insurance products with guaranteed benefits and with longevity and life insurance option risks.
- The guaranteed products entail that the company is exposed to significant investment risk.
- Generally, the company is subject to the Danish Executive Order on Contributions, which entails special requirements for financial management.
- The company is exposed to due diligence risks in connection with the acquisition of insurance portfolios and other means of risk transfer for existing risks.
- The company takes out guaranteed insurance, which entails special risks in connection with, among other things, tariff classification.
- The company has chosen to outsource several administrative activities, which on the one hand ensures a high degree of separation of functions and clarity in deliveries and, on the other hand, imposes requirements on the company's control environment.
- The company has a long-term objective of having operations in several countries, which will increase the complexity of the risk profile.

Objectives

It is the Board of Director's most important priority that the company is run in accordance with applicable legislation and otherwise satisfactorily. This means, in order of priority, that:

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- Within the strategic planning period, the company must have regulatory and financial cover so that there is a comfortable buffer in relation to the desired minimum coverage.
- The company's policyholders are treated fairly, taking into account the nature of the products sold.
- The company maximises the risk-adjusted return to shareholders and risks shall, where possible, be covered by the policyholders.
- The company operates efficiently, with low risk and reasonable compliance with industry standards.
- The product portfolio of the company is sufficiently attractive for the company to attract and retain policyholders.

The above has led to the following risk objectives for solvency and risk capacity:

"The Group's companies must have sufficient actual and expected solvency coverage calculated without volatility adjustment (VA) for at least the strategic planning period to invest in a way where an excess return corresponding to the long-term VA can continue to be received in very unlikely scenarios."

The company will ensure that there is always sufficient risk capacity to hold an investment portfolio that generates at least an excess return equivalent to VA and that will not result in unnecessary forced sales, even if VA is temporarily zero. The objective is translated into the company's governing documents as a "soft limit", where the individual companies must be particularly vigilant if the limit is breached.

In addition, the Board of Directors wishes to set a "Hard limit" that the individual companies must be able to comply with at all times.

This limit is defined based on the above objective, but where more likely scenarios are used instead. The interpretation is that if the individual companies cannot experience more likely scenarios and still have sufficient capital to receive an excess return corresponding to a long-term risk-adjusted credit spread (corresponding to the expected long-term volatility adjustment), then the board's risk tolerance will have been exceeded.

In the risk strategy, the company has adopted overall targets for risk appetite for each of the risk categories.

Assessment of risks and solvency requirements

Risks and capital requirements are assessed in the company by analysing how significant risks affect the company's calculated capital base, solvency requirements and minimum solvency requirements.

The methodology for calculating the solvency requirement is established in the Solvency II regulation for insurance companies. The solvency requirement is calculated as the amount necessary to cover the risks of the existing business, based on the business model.

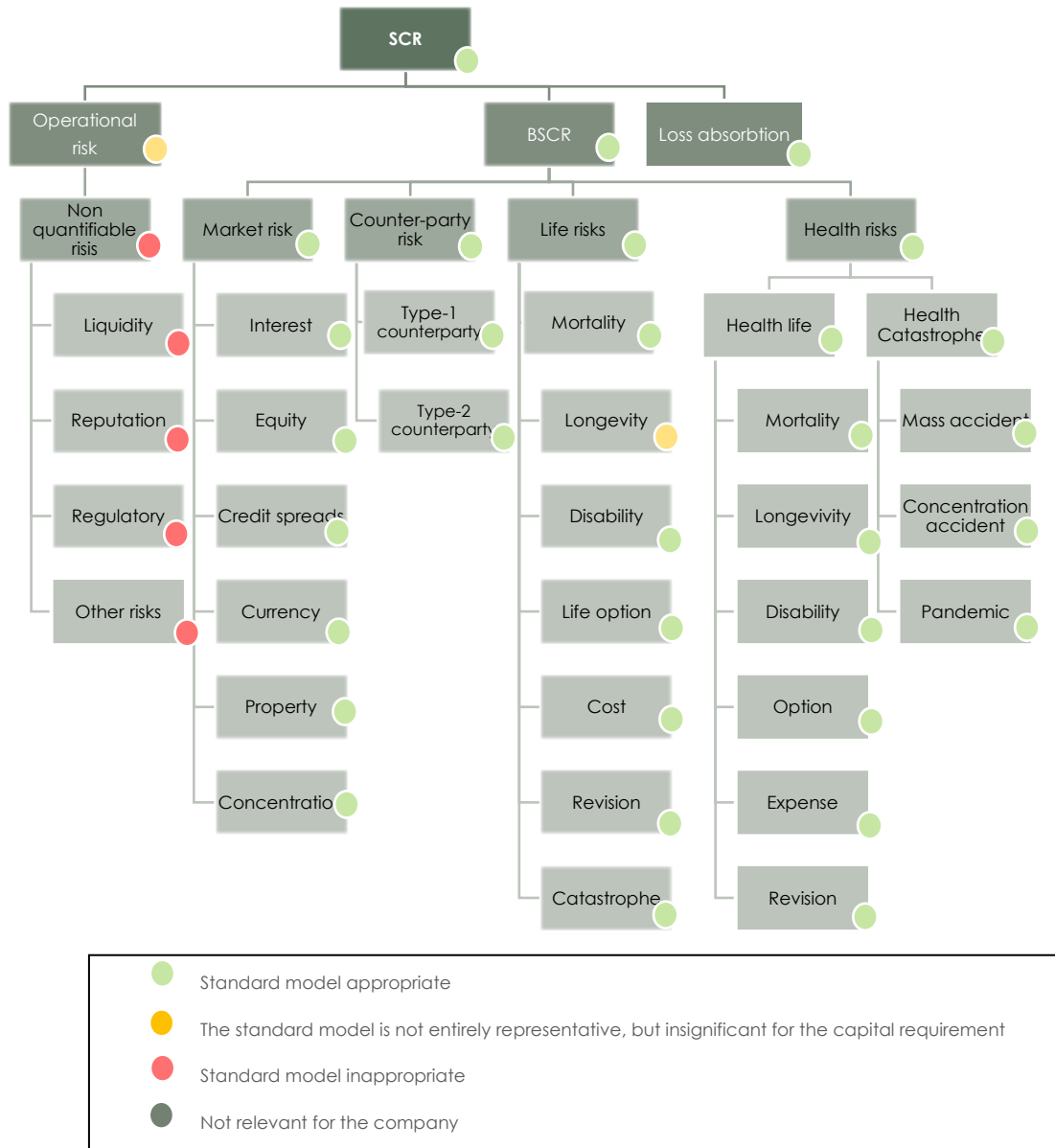
The solvency requirement must be calculated so that it reflects the capital which the company must have in the coming year in order to be able to withstand a 200-year scenario for various financially stressful events.

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The solvency requirement can either be calculated using a standard model or an internal model approved by the Danish Financial Supervisory Authority. The company uses the standard model when calculating the solvency requirement.

The company has also made use of the option in the solvency rules to use a simplified calculation of the risk margin.

The standard model used is illustrated in the figure below:



For each risk factor, the associated solvency requirement is calculated. These solvency requirements are then weighted within each risk group based on a model of how the risk factors depend on each other. The

weighting attenuates the effect of the individual solvency requirements for each of the risk factors, as it is not expected that the different risk factors will hit with full effect at the same time.

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Company gross risks

The tables below show the company's total gross risks in mio.kr.

GROSS RISKS	END 2025
Market Risk	1,101.3
Counterparty risk	35.0
Life risk	293.7
Health risk	28.9
Diversification	-230.9
BSCR	1,228.0

The Prudent Person Principle

Part of the European regulatory framework is a principle that insurance companies must behave prudently/sensibly on behalf of policyholders when investing policyholders' funds. The principle is called the prudent person principle, and it applies to all market risks.

In order to fulfil the prudent person principle, the risk profile of the investment portfolio is adjusted with a target to minimize the likelihood that the company's long-term obligations to policyholders cannot be honoured and to ensure that policyholders achieve a competitive return on their deposits, taking into account the size of the policyholder buffers and the policyholders' product choices in general.

This means, among other things, that the company has implemented asset/liability management, which largely ensures that the development in the value of the liabilities is matched with a corresponding development in the value of the assets. To manage the interest rate risk on the assets so that it matches the liabilities, interest rate derivatives are used - primarily interest rate swaps and, to a lesser extent, swaptions. The interest rate sensitivity of the assets and liabilities

is continuously adjusted across maturities so that the mismatch is as minimal as possible – however, considering the costs of buying and selling.

A consequence of this hedging approach is that the certainty of meeting the guaranteed levels of pensions for policyholders is very high.

The company carries out ongoing tests to ensure that the investment strategy is robust in the face of macroeconomic and other impacts on the financial markets, so that the company's risk appetite is not exceeded.

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Sensitivity analyses

The company carries out sensitivity analyses on an ongoing basis in accordance with the Executive Order on Sensitivity Analyses (BEK

615 25/05/2018). Below are the results of the sensitivity analysis for the insurance company as at 31.12.2025.

31.12.2025		Norli Liv og Pension	SCR 100 pct.		
			Stress	Own funds	Solvency coverage
1	Interest rate risks, bps		-200	1.012.721.635	286,0
2	Equity risks, per cent		100	977.579.500	181,0
3	Property risks, per cent		62	977.936.985	100,0
4	Credit spread risks, per cent	Danish government bonds, etc., cf. section 5, no. 4) a)	14	855.350.457	100,0
		Other government bonds, etc., cf. section 5(4) b)	100	976.207.652	316,0
		Other bonds, cf. section 5, no. 4) c)	100	976.207.652	314,0
5	Currency spread risks, pct	Exposure 1	100	937.447.007	280,0
		Exposure 2	100	937.447.007	285,0
		Exposure 3	100	937.447.007	285,0
7	Longevity risks		77	976.207.652	100,0
8	Life Insurance Options Risks		1.300	976.207.652	296,0

C.1 INSURANCE RISKS

Insurance risks are the risks of signing up, or having subscribed, policyholders on terms that do not reflect their actual risk, or that the actual risk otherwise deviates from the assumptions used by the company when underwriting and calculating provisions. The Board of Directors has defined guidelines for the extent of insurance and health insurance risks that the company may assume. For example, the Board of Directors considers whether individual health information must

be provided within the various life insurance schemes.

The management of risk appetite in connection with underwriting insurance policies is expressed in the company's acceptance policy. The acceptance policy contains rules for the types and sizes of risks that can be included in the individual contract. Numerous ad hoc samples are carried out on an ongoing basis in specific sub-areas, which are reported to the Executive management. Based on the results of the samples and surveys, it is assessed whether the

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acceptance policy has been complied with, and based on these assessments, a number of proposals are prepared for the implementation of improvements. This may include updating business procedures, additional training of employees and more quality assurance. In addition, any trends or changes in insurance and health insurance risks are monitored at regular meetings with the participation of company executive management and selected key personnel.

The development of the insurance risks is further monitored in the monthly statements of the risk result. The compensation percentages and the trend in these are assessed annually in the actuarial report, among other things. This is further used to reassess the assumptions used in the calculation of provisions at market value.

In addition to the above, an annual analysis of the stock mortality is carried out, where both the assumptions of the subscription basis and the market value assumptions are analysed. In the calculation of the provisions, the Danish Financial Supervisory Authority's benchmark for life expectancy assumptions is used – and the standard model from Solvency II is used to assess the life cycle risk. The company has a relatively small exposure to longevity, as the portfolio consists predominantly of lumpsum, retirement and term annuities.

The annual renewal of reinsurance also forms part of the assessment of mortality and disability risk.

Norli Pension's entire portfolio was transferred to Norli Liv at the beginning of 2025. Norli Liv is therefore currently the only company in the Group with insurance risks from its own

portfolio, as Norli Pension has not yet acquired a new insurance portfolio after the portfolio transfer and Norli Pensjon Norway has not yet commenced insurance operations.

Risk types

The traditional insurance risks are the biometric risks, which in the company's case consist of mortality, survival, disability, revision and catastrophe risks.

In addition to, and incidentally in connection with, the biometric risks, there are policy status risks in the form of differences between expected and actual policy holder behaviour as well as expense risks.

Life Risk	End 2025
Mortality risk	3.1
Longevity risk	78.7
Disability risk	6.0
Lapse risk	207.6
Expense risk	68.6
Revision risk	0.9
Catastrophe risk	36.6
Diversification	-107.8
Total Life	293.7

In addition to risks in the traditional product, the company is also exposed to health insurance risk, as new health and accident insurance takes place outside the guaranteed product environment. Health and accident insurance gives rise to both premium, claims provisions and catastrophe risks, and further risks of changed legislation and case law as well as increasing costs for compensation.

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For the premium risk, it should be noted that this is typically less than one year given the company's opportunity to change price and product conditions.

Mortality risk

The company has underwritten insurance policies with a risk of death, including death sums and ongoing payments to survivors. The benefits are determined based on assumptions about future mortality rates.

The mortality risk relates to the risk that the company will incur losses on insurance policies with a risk of death as a result of policyholders dying earlier than assumed. If the development in policyholder mortality changes significantly over a period of time or more permanently, it may indicate that the company has underestimated the future development in policyholder mortality. This can trigger a loss for policyholders and the company.

Longevity risk

Longevity risk is the risk that policyholders will live longer than assumed in the technical basis and in the insurance provisions. The company's financial statements are based on assumptions about expected future improvements in life expectancy, and the company assesses at least annual life expectancy assumptions (e.g. in relation to a life expectancy benchmark established by the Danish Financial Supervisory Authority). In recent years, however, longevity improvements have been observed that exceed the improvements derived from the longevity benchmark used. However, the company's analysis shows that the effect of these observed longevity improvements is of limited financial significance to the company.

Against this background, the company assesses that allocating capital according to the standard solvency model used, so that the company can financially withstand a permanent decline of 20 per cent in mortality intensities, provides a high degree of security. A security that, according to the company's assessment and considering recent updates in the calculation method for the benchmark, exceeds the requirement for the security level in the European regulatory framework. As can be seen from the table above, the longevity risk is not material for the company. Due to the special nature of the risk, it is nevertheless a risk that the company has an extra focus on.

Disability risk

The company has taken out disability risk products in the form of coverage of loss of earning capacity and premium exemption. The products provide the policyholder with an ongoing benefit if the policyholder becomes disabled. However, no longer than until retirement, death or until the policyholder is reported fit again. Benefits and premiums are determined based on assumptions about future disability rates and the expected length of time before premium cessation.

When a policyholder becomes disabled, provision is made based on individually determined expectations of the likelihood that the policyholder will recover or die within a specified number of years. Disability risk is thus the risk that the Group will incur losses on the disability products because of policyholders becoming more ill than expected.

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Lapse risk

For the company, the risk category covers policyholder behaviour in the form of the insured's surrenders and termination of premiums. The risk arises when the assumptions regarding surrenders and discontinuation of premiums in the provisions for market value deviate from actual developments and must be adjusted, or when the company experiences a scenario with many surrenders in a short period of time. If the policyholder can obtain a financial advantage by, for example, deciding to surrender or not, it may be necessary to model this risk as a financial option.

For Norli Liv, surrenders will generally reduce the base capital through reduced profit margins. At the end of 2025, Norli Liv has active price protection for the sub-portfolios "Norli A" and "Norli B".

Expense risk

The company must bear the costs of reinsurance and general administration of the policies. This entails an expense risk that conceals the fact that the provisions relating to future costs potentially deviate from the value of the realised expenses and must therefore be adjusted upwards.

Risk of revision

Revision risk covers the fact that awarded disability interest is reassessed to a different extent than assumed, resulting in an increase in payment.

Catastrophe risk

Catastrophe risks cover catastrophe scenarios with large payments on death cover and/or disability cover. Catastrophe risks are

caused by extreme events that are not adequately covered by the mortality or disability risks described above.

Risk reduction methods

There are no significant risk concentrations in the insurance portfolio. Disability and death risks are limited by guidelines on the size of the risks the company may assume. Generally, the company does not take out risk covers without being provided with individual health information, with a few exceptions. The company is affiliated with the industry's common principles on acceptance and continuation in the event of a change of supplier of company pension schemes (the Supplier Change Agreement). Receipt of schemes under the change of supplier agreement takes place based on more lenient health information in the form of an employer's declaration. In addition, the company has a single product where company pension can be established by providing limited individual health information.

The company uses reinsurance of mortality, disability and catastrophe risk in order to achieve stable risk results. The company aims for an efficient reinsurance program with a focus on cost-effectiveness. At the same time, the company focuses on ensuring that the reinsurance contracts reduce the liquidity risk due to the mismatch between the time of payment of claims and outstanding claims in connection with reinsurance.

The reinsurance program mitigates the impact of claims for major policyholders and also includes catastrophe coverage in case multiple policyholders are affected by the same event.

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In the event of renewal and change of the reinsurance program, the opinion of the actuarial function and approval of the Board of Directors is obtained.

In the event of a change of reinsurers or a change of participation for existing reinsurers in an existing program, the opinion of the actuarial function and approval from the Executive management must be obtained.

The Board of Directors has set limits for the counterparty credit risk that a reinsurer may impose on the company.

Risks above the reinsurance limits are only accepted after approval by the Executive management with the corresponding opinion of the actuarial function and the parties to the reinsurance program and only in situations where it can be justified from a business point of view and within the company's risk appetite and applicable legislation. This is not expected to happen with the current business. Any risks beyond the Executive management's authority will of course only be subject to recommendation and acceptance by the Board of Directors and with the associated statement from the actuarial function.

C.2 MARKET RISKS

Market risk is the risk of loss because of the total value of assets and liabilities changing in a disadvantageous manner for the company because of changes in financial market conditions.

The company has several policies and guidelines that ensure that the risks assumed are in accordance with the Prudent Person Principles and are thus in accordance with the risk strategy and actual and expected capital conditions.

The company's assets are invested on the basis of a board-approved investment strategy and in such a way that the technical provisions are always covered.

The company has market risks for both policyholder funds and the company's own funds. For the policyholder funds, the risk to the company is due to the guaranteed benefits, as the company may have to cover losses if the losses become too high. The guaranteed benefits are part of the traditional pension product. Historically, until 1994, policies were issued with a guaranteed benefit calculated by means of an interest rate of 4.5%. From 1994 to 1999, an interest rate of 2.5% was applied, after which the guaranteed rate for benefits was reduced in several stages. Currently, an interest rate of 0.0% is applied. Due to financial regulation via the Executive Order on Contributions, the insurance portfolios are split into interest contribution groups, which are defined by the different guaranteed levels on which the insurance in the groups are based. In Norli Liv, the insurance portfolio is divided into thirteen interest contribution groups, of which 7 have been transferred from Norli Pension. The investment and hedging benchmark for each individual interest rate contribution group is adjusted so that interest rate hedging and other risk exposure match the individual groups' policyholder buffers, etc. The consequence of this is that the interest contribution group with the highest base interest rate has a relatively small allocation to risky assets measured in relation to provisions.

The company applies a principle according to which any profit from the interest rate, risk or cost result of the policies is used to reduce the average future guaranteed rate of return on the benefits. This gradually reduces

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the guarantees in the interest rate groups and means that individual policies may over time be moved to an interest rate group with a lower average base rate.

New subscriptions are currently taking place in Norli Liv in the group "A" with a guaranteed interest rate in the range 0-0.5%.

The company has a cautious approach to the allocation of both its own and policyholders' investment funds. There is a limited exposure to equities, credit and high-yield bonds. Investments of high complexity are not made unless the company can properly identify, measure, monitor, control and report the asset or instrument. The asset allocation in the company is appropriately diversified. Risk appetite is determined based on the overall balance sheet and is distributed to each interest rate group according to its size. Groups with large policyholder buffers will hold more risky assets than a group with a low proportion of buffers, as the overall exposure to equities is desired to be roughly the same across interest rate groups.

The company's business model and strategic objectives are supported by the following overall risk profile and objectives:

Risk profile

- *The likelihood that long-term obligations cannot be honoured to policyholders must be minimised, provided that the applicable solvency requirements are complied with*

Objectives (policyholder funds - bonus eligible interest groups)

- *The company must be able to honour the policyholders' guaranteed benefits with an appropriate level of probability of loss of the company's*

own funds, determined by the Board of Directors.

- *The asset allocation shall be determined in such a way that, as far as possible, losses on equity exposure in policyholder funds shall not be covered by equity.*
- *Policyholder funds are managed in such a way that, even after large market movements or other losses, the investment portfolio can be expected to generate attractive returns.*
- *The development of and expectations for future inflation are continuously included in the consideration of how policyholder funds can ensure the best possible return.*

Objectives (policyholder funds - non-bonus interest groups and sickness/accident)

- *The company must honour the policyholders' guaranteed benefits.*
- *As any losses are indirectly covered by equity, the management of these funds must also consider the level of market risk in the assets of the equity.*
- *The level of liquidity must reflect the expected benefit cash flows and the uncertainty thereof.*
- *The company's equity must be ensured a satisfactory return and must not be indirectly exposed to equity risk from the management of these funds.*

Objectives (equity)

- *The company's equity must be ensured a satisfactory rate of return,*

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considering that this must be maintained and must not be directly exposed to equity risk.

- *A fixed part of the equity must be invested in such a way that the net return is variable rate of return (DKK or EUR), and a fixed part of the equity must be invested in assets with a high degree of liquidity (the specific shares are determined in the company's investment guidelines).*

The company's risk strategy stipulates that the overall acceptable risk level for the investment risk incumbent on the company is *Low*. Low market risk for the company means that there is a lower probability that the equity in Norli Liv will incur losses to an extent that significantly reduces the company's solvency.

In addition, the investment strategy stipulates that policyholders must be guaranteed a competitive return, which means that the level of market risk is set at *Medium* for policyholders.

In the company's investment guidelines, the Board of Directors sets further limits for the investment of the company's investment assets.

The Board of Directors has chosen the following approach to market risks:

- **Interest rate risk:** The risk of fluctuations in interest rates (level, slope, curvature, etc.) that may affect the market value of the company's assets and liabilities. This is an undesirable risk. The company therefore strives to match the interest rate risk on assets and liabilities so that the net interest rate risk is as low as possible.

The company's interest rate risk appetite is therefore *low*.

- **Currency risk:** The risk of significant fluctuations in exchange rates must be limited in relation to the investment of the company's funds, and the company's assets are therefore primarily invested in Euro and Danish kroner. Currency risk appetite is *low*.
- **Equity risk:** The risk of fluctuations in share prices may affect the market value of the company's investment assets. Equity risk may arise from investments in equities. Overall, the company's equity risk appetite is *low*. Equity risk exposure exists only in the policyholder portfolios, and the exposure is aimed at a global investment universe. In special situations, the company may choose to reduce equity risk significantly. This will happen, for example, if the proportion of collective policyholder buffers is low.
- **Property risk:** The risk of fluctuations in the value of properties. The company's risk appetite is currently *medium*. Property investment is made exclusively for policyholder's funds. The majority of the property investments are in commercial real estate for offices and corporate headquarters. The company's real estate investments are concentrated both in terms of location and the commercial property segment.
- **Credit risk:** The risk of fluctuations in credit spreads or of issuers of the company's investment assets not being able to meet their obligations because of bankruptcy, voluntary liquidation, etc., which may affect the

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market value of the investment assets. Credit risk may arise from investment of funds in credit assets. Overall, the company's credit risk appetite is *low to medium*.

- **Volatility risk:** The risk of fluctuations in the implied volatility of financial assets (e.g. interest rates or currencies). This risk is only tolerated if non-linear hedging via options is deemed required to ensure effective hedging of significant financial risks. The risk is not further framed as the purpose of the exposure is risk limiting. In addition, volatility risk is also indirectly tolerated to a limited extent in connection with investments in callable mortgage bonds.
- **Other types of market risk** (direct exposure to e.g. commodities, real estate, art or wine): The risk of fluctuations in the price of other types of real assets or financial assets based on these is not desired. However, the company may be exposed indirectly to these types of assets through loans secured on properties, etc.
- **Financial counterparty risk** (non-financial counterparty risk is covered by other policies): Counterparty risk will primarily arise through the use of derivative financial instruments, despite the fact that it is generally necessary to either provide or receive collateral for the market value of the underlying instruments. To the extent that the market value of the collateral and the market value of the underlying financial instruments differ, this leaves a risk that the given counterparty is unable to honour the dif-

ference. As this difference is regulated on a fixed contractual basis (ISDA/CSA), the risk associated with this will be limited, which is why the company's counterparty risk appetite is *low*.

- **Concentration risks:** As a starting point, the company must pursue a diversified investment strategy without dependence on individual types of investments. A few major concentrations may be permitted by the Board of Directors if the quality of these investments is otherwise high.

Assessment of market risks

A significant part of the company's activity is to manage the company's investment assets. The investments secure future payments for pensions or other coverage of claims. Every investment involves a risk that must be managed by the company.

MARKET RISK	END 2025
Interest rate risk	34.5
Equity risk	382.1
Property risk	432.4
Credit spread risks	360.5
Concentration risks	74.2
Currency	171.3
Diversification	-353.7
Market Risks	1101.3

The table shows the company's market risks before loss absorption as measured in the standard model. In addition to these risks, there are, as described above, additional risks in the form of e.g. volatility risks, which are not quantified in the standard model. These risks are measured and, if necessary,

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managed in the company's internal framework management.

It is assessed that the standard model is appropriate for all significant risks in the area of market risk.

It is further assessed that there is no need for additional capital allocation to cover the company's market risks.

Risk reduction methods

Interest rate risk is managed dynamically, primarily in relation to the absolute interest rate level and the level of collective policyholder buffers. This means that the company may be more exposed to interest rate decreases at times due to a desire to hedge the risk of interest rate increases. The current relatively high level of gross interest rate risk is an expression of this strategy. As mentioned, interest rate risk from the bond portfolio and liabilities is managed by means of interest rate swaps and swaptions. It should be noted that the hedging strategy follows the regulatory yield curve. This is based on an EUR swap curve, whereas the company's liabilities are in DKK. This introduces a basis risk between the regulatory and financial obligations. Due to the Danish fixed exchange rate policy against EUR, the company considers this base risk to be limited.

In relation to the credit spread risk, the possibility of using a mark-up (volatility adjustment) for the discounting of the provisions is a risk-reducing method, as the mark-up corresponds to some of the movements in the credit spreads. With the current VA method, however, the correlation is somewhat uncertain.

From time to time the equity portfolio has been hedged with options that are not necessarily included in the calculated solvency requirement.

The most important risk-reducing methods for loss absorption are primarily at the policyholder buffers and thus the policyholders' future bonus potential, as well as loss absorption via the tax loss that arises from the 200-year event assumed in the solvency requirement.

Stress tests

To assess the company's capital strength in relation to any economically unfavorable developments in market risks, stress tests have been carried out on the risks in the standard model. These tests are listed in the section "Sensitivity analyses" in Chapter C. Reference is made to this.

C.3 COUNTERPARTY CREDIT RISK

Credit risks in the form of credit spread risk is treated under market risks. Credit risk in this section therefore deals with credit risk in the form of counterparty risk. Counterparty risk is the risk that one of the company's business partners defaults on their obligations to the company. The risk is divided into respectively. Type-1 and Type-2 counterparty risk:

Type-1 counterparty risk

In the company, type-1 counterparty risk consists of receivables on risk-mitigating contracts and cash deposits.

Type 1 counterparty risk is monitored daily, except for reinsurance counterparties, which are measured monthly. If a counterparty is downgraded in terms of credit rating, the company may choose to replace the

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counterparty in question with a counterparty with better credit quality.

The Board of Directors wants to have low counterparty risk in the investment portfolio. This means that the assets are invested in such a way that the risk of loss due to changes in the circumstances of counterparties is limited. Financial counterparties are most often credit institutions where the receivable arises from a bilateral derivative contract or, for example, through the deposit of cash in a bank account, creating a type 1 counterparty risk. The company limits counterparty risks in derivative contracts by means of margin agreements and netting with counterparties. Margin agreements ensure that one counterparty provides collateral to the company when the other counterparty's exposure to the company exceeds a given level. The collateral limits the potential loss in the event of default by the counterparty. The majority of swap agreements are currently settled as cleared trades in LCH (London Clearing House), which has further reduced both credit and operational risk.

Deposit limits enforces restrictions on the size of the company's exposure to specific credit institutions.

In addition to the financial counterparties, the company has counterparty risk due to the company's reinsurance program.

Counterparty risks related to reinsurance cover the risk that the company's reinsurers are unable to honour their contractual obligations to the company. The default may mean that the company's receivables are lost in whole or in part, and a new reinsurance agreement must be entered into. The company receives regular information

about changes in the reinsurance companies' ratings and accounting figures. This provides knowledge about the solvency of the business partners. In addition, the company's reinsurance broker can provide information on the financial challenges faced by reinsurance companies. These brokers continuously assess whether they can continue to recommend cooperation with the various reinsurance companies. To minimise risk, the reinsurer must have at least an "A" with Standard & Poor's or A.M. Best. Any deviation from must be approved by the Board of Directors. If the rating of a reinsurer falls below the level at the time of signing the contract, the company has the option of terminating the collaboration according to the contract.

Type-2 Counterparty Risk

Type 2 counterparties consist of receivables from other insurance companies that are not reinsurance. The company has not included any Type-2 counterparty risk.

Risk reduction methods

As stated above, the company's method of controlling and reducing risk with regard to counterparty risks is to replace counterparties if the creditworthiness becomes too low.

If there is a need to reduce the counterparty risk of cash deposits, deposits in other banks can be opened.

C.4 LIQUIDITY RISKS

Liquidity risk for the company is the risk that the company will not be able to meet its obligations as they fall due in the short and long term without this having a significant effect on the company's overall profit and capital base.

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Liquidity risk primarily arises if there is a mismatch between the timing of cash flows from investments compared timing of net cash flows to be made to policyholders.

The company is exposed to liquidity risk in the following circumstances:

- a) Where liquidity is tied up in assets that are not marketable, such as intangible and property, plant and equipment.
- b) If the company has negative working capital as a result of advance payments or receivables.
- c) When labour market contributions (Danish taxes paid by the company on behalf of policyholders) to the state are settled for the entire calendar year at the beginning of September. This prepayment means that the company is owed up to 4 months' labour market contributions from its policyholders.
- d) If there is a settlement gap between buy and sell transactions when settling investment asset trades.
- e) When the interest rate derivative contracts have to be collateralised as a result of large interest rate movements.

To address the above-mentioned risks, the company has set up frameworks and procedures to monitor and, if necessary, manage a lack of liquidity in the portfolio's assets.

Assessment of liquidity risk

The liquidity risk in the company is low considering that the predictability of the need for liquidity is high and that the company's investments are primarily invested in assets that can be disposed of with short notice.

Thus, liquidity risks are not considered a significant risk in the company.

Risk reduction methods

The Board of Directors of the company wants a low liquidity risk, which is why the market liquidity of the investments is an important precondition when determining the investment strategy.

The framework for operating liquidity is set so that the company can pay/settle the obligations at any time. Surplus liquidity is transferred to investment liquidity.

The framework takes into account the uncertainty related to the company's future payments.

Norli Liv has established repo facilities at several banks to ensure sufficient liquidity.

Total amount of expected future profit

When calculating the provisions, the company has calculated the value of the future risk return to the company using a simulation model. This profit margin included in future premiums amounts to mio.kr 124.

Other material information on liquidity risks

There is no material information on liquidity risks other than that presented in this chapter.

C.5 OPERATIONAL RISKS

Operational risks in the company are the risk of unforeseen events that have a negative impact on the company, such as fraud, IT errors, human error, etc.

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Assessment of operational risk

Part of the company's operations are outsourced. Thus, the company's operational risk stems to a certain extent from the outsourcing partners – especially to the outsourcing partner NPS. The company is in dialogue with the outsourcing partners on how to protect themselves against operational risks.

The operational risk is primarily hedged with capital.

See the chapter on the management system for a description of the company's RCK, where incidents must be dealt with in the context of the control system.

Other material information on operational risk

There is no material information on operational risk other than that presented in this chapter.

C.6 OTHER SIGNIFICANT RISKS

Significant business risks

The company is also exposed to business risks, which include strategic risks, reputational risks and other risks related to external factors, including regulatory risks.

Strategic risks are linked to the work of realising the company's strategy and overall goals. The company monitors developments in the markets in which the company operates in order to ensure that products, prices and customer service are competitive. The company strives for legal, proper and fair treatment of policyholders as well as openness and transparency in its communication, and reputational risks are limited through a generally high standard of management of

operational risks and customer relationships. In practice, procedures and controls have been established that cover the essential aspects of the company's activities.

In addition, the Annual General Meeting has composed the Board of Directors with a view to ensuring the necessary competencies to determine and execute the best possible strategy for the company.

In relation to reputational risks, management continuously has a proactive focus on cases that may cause significant reputational risks.

In recent years, regulatory risks have been increasing in connection with, among other things, the introduction of the solvency rules.

Employee dependency risk

The company has employed employees to perform key roles in the company based on their experience and knowledge, all of which are considered important for the company's ongoing operations. Employee dependency risk is the company's risk of losing these employees in the event of resignation or other unforeseen events (death, illness, accident).

The company has signed contracts with the employees with notice periods that provide ample opportunity for the company to replace the person with a similarly competent person to perform the relevant role.

Outsourcing risk

Given the company's outsourcing strategy, the company focuses on outsourcing risks. A significant risk is linked to the potential situation for the company, where it is necessary to find a new outsourcing partner due to, for

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example, bankruptcy, contract expiry without renewal or extraordinary termination of the contract.

Other outsourcing risks in the form of the risk of missing deliveries or lack of quality in the deliveries are mitigated by the company's control of the outsourcing suppliers' deliveries, self-monitoring and audit statements.

C.7 OTHER INFORMATION

In relation to the company, there is no other material information than that presented in this chapter.

Chapter D - Valuation for solvency purposes

This chapter describes the general principles of the valuation method used in the statement of assets and liabilities, in accordance with the requirements of the Solvency Regulation and the corresponding statements in the financial statements.

The company's assets and liabilities are valued in the solvency balance sheet, in accordance with the rules of the Solvency II regulation. In the annual accounts, the balance sheet is calculated in accordance with the rules in the Executive Order on Financial Reports for Insurance Companies.

The starting point for the rules for statements in accordance with the requirements of the Solvency Regulation and the statements in the accounts in Denmark is based on the same calculation method. The majority of Danish life insurance companies and pension funds have previously received an FSA order to calculate the provisions using a simulation model, and the transition to this methodology at the end of 2022 has now resulted in a greater difference between the balance sheet calculated according to local accounting standards and for solvency purposes.

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D.1 ASSETS

The company's balance sheet consists largely of liquid assets for which there is an active market. The valuation of the unlisted investments is discussed later in this chapter. The distribution of the assets is calculated in the balance sheet table Appendix 1. For the assets, there are no significant differences between the solvency balance sheet and the accounting balance. The limited number of differences are shown in the table below:

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Valuation method		
Active class	Solvency	Accounting
Intangible assets	Intangible assets cannot be recognised in the solvency balance sheet.	May consist of development costs relating to projects. The item is written down to the recoverable value if this is lower than the carrying amount. Currently, this item amounts to 0.
Financial assets	<p>Purchases and sales are recognised at fair value on the date of the trade. The fair value is calculated based on a hierarchy, according to which method is available:</p> <p>(1) Quoted prices in an active market for the same instrument. The last observed market price on the balance sheet date is used</p> <p>(2) Observable inputs based on quoted prices in an active market for similar instruments or valuation methods based on observable inputs.</p> <p>(3) Unobservable inputs where the valuation input is not based on observable inputs, including unlisted shares. Here, generally accepted valuation methods are used, which are an expression of estimates of the value, where risk factors are included in the calculation. Included as an asset on the trading day when valuing for solvency purposes.</p>	Identical to the solvency method.
Derivatives	Derivatives are measured at fair value, and if the fair value is positive, these are included as an asset. In the event of a negative fair value, the derivative is included as a liability.	Identical to the solvency method.
Deposits with credit institutions	Classified as 'Other financial investment assets'. Fair value is generally set at cost price. Calculated on the date of trading.	Identical to the solvency method.
Receivables	Measured at estimated fair value and divided into reinsurance shares of the technical provisions, as well as receivables for policyholders, corporates and other receivables.	Identical to the solvency method.

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Bonds

The holdings of bonds mainly comprise Danish mortgage bonds and, to a lesser extent, corporate bonds. For the valuation of these bonds, official prices from relevant exchanges are used, if these were traded on the day in question, and if not, a theoretical price is used. When valuing an illiquid holding, a theoretical price based on relevant risk premiums is used.

Equities

Equities include publicly traded stocks and stock futures that are valued at quoted prices, as well as unlisted shares. For unlisted shares, the valuation is associated with estimates, which include information from the companies' accounts, trades in shares in the companies in question and other objective information.

Financial Instruments

Derivative financial instruments consist mainly of interest rate swaps and interest rate swaps, which are valued by the present value calculation of expected future cash flows, which are discounted based on interest points obtained, interpolation between interest points and exchange rates.

From time to time the company can have positions in share options, which in the case of the listed options valued based on prices obtained. Unlisted options are valued based on acquired volatilities and prices of underlying assets.

Currency forwards are valued based on currency forward surcharges and exchange rates.

Properties

Investment properties are measured at a fair value calculated in accordance with the Danish Financial Supervisory Authority's guidelines. The fair value is calculated based on the DCF method, which means that the individual property is valued based on an expected cash flow. The future payments are determined as the estimated payments in a planning period, as well as a terminal value, and a required rate of return. The calculated value is adjusted for short-term circumstances that change the property's earnings.

D.2 TECHNICAL PROVISIONS

The company's technical provisions can be classified as shown in the table below. The table also shows how the provisions are valued in relation to the calculation of solvency requirements, what assumptions have been made and the differences in relation to the financial statements. Finally, the uncertainties in the statements are described.

As can be seen from the table, the technical provisions are not calculated identically in the financial statements and when calculating the solvency requirement.

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Valuation method				
Business area	Solvency	Assumptions	Other assumptions in accounting	Uncertainty
Technical provisions	The item is the value of pension benefits (guaranteed benefits) including the value of expectations for future bonuses. In addition, there is a price for the assumptions behind the expectations not holding true (Risk Margin). Finally, the company's profit component (FFO) is valued.	An EIOPA yield curve with a VA surcharge is calculated. Expectations for life expectancy, frequency of disability, expenses, probabilities of conversion to paid-up policy and surrender follow the technical basis that is publicly available on the Danish Financial Supervisory Authority's website. The risk margin is calculated as the price an investor will charge to assume the risk.	Some of the figures are estimated based on simpler methods to avoid iterative processes in the presentation of the accounts. As of the end of 2025, this has primarily resulted in a difference in FFO. Other variables such as GY, bonus potential, risk margin and FFO also differ between the financial statements and the solvency balance.	In relation to the determination of expectations for life expectancies, frequency of disability, expenses, probabilities of conversion to paid-up policy and surrender there are associated statistical uncertainties that result from using historical data to predict future developments.
Injuries that have occurred but have not been reported and that have not yet been completed	The value corresponds to the value of the provision from the previous year, adjusted for an expectation of how large a proportion of the expected claims for the year will be reported with delay or take longer to process.	Expectations for the proportion of claims that are reported with a delay or are longer in the processing of cases	The same valuation is used as in the solvency balance sheet.	In addition to the uncertainties associated with the known rights, cf. above, there is uncertainty related to the extent of the not yet reported damages.
Compensation provisions for illness and accident	The claims provisions for sickness and accident insurance contain amounts to cover direct and indirect costs which are reasonably considered to be sufficient for the settlement of the claims obligations. The calculated provision is increased by a risk margin in accordance with Solvency II principles.	For known compensations, an individual assessment of the payment time is made. The estimate of costs is made based on the average duration of the established payments as well as an assessment of legal costs for the processing of compensation cases per year. The provisions for current invalidity interest are calculated individually, with an assessment of the duration of payment for each individual policy.		In addition to the uncertainties related to the known rights, there is uncertainty related to the extent of the not yet reported damages.

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An important prerequisite for the calculation of the technical provisions is the recognised yield curve. It is determined by the European Supervisory Authority EIOPA. In addition to the yield curve itself, the Danish Financial Supervisory Authority may grant permission to recognise a surcharge (volatility adjustment or VA) to the yield curve. The surcharge, which is also published by EIOPA, depends on the agreed currency of the deposits and withdrawals in the insurance contracts.

The company has previously applied for and received permission from the Danish Financial Supervisory Authority to use this option. The impact on the company is as follows:

Own funds (f.DKK) 31.12.2025	With VA surcharge	Without VA surcharge
Technical provisions	12.826	12.861
Solvency capital requirements	330	344
Recognised own funds to cover solvency capital requirements	984	958
Solvency coverage ratio	298%	278%
Basic capital base	984	958
MCR	148	155

SFCR: Application of the transitional allowance in Directive 209/138/EC 308d (Art. 296(2)(gj))

The company does not apply the transitional allowance referred to in Article 308d of Directive 2009/138/EC (Article 296(2g));

SFCR: Amounts recoverable under reinsurance contracts and special purpose vehicles (Art. 296(2)(h)(i))

[ReinsuranceSummary.\$12.01.01]

The maximum amount that can be recovered under reinsurance contracts is 300 million DKK at the end of 2025. Special purpose vehicles are not relevant to the company.

SFCR: Changes in material assumptions used for the calculation of technical provisions in relation to the previous period (Art. 296(2)(h)(ii))

[Any changes in material assumptions.]

The main assumptions that have changed over the period are:

- Biometrics
- Policyholder behaviour
- Cost
- Management actions

The assumptions have been adjusted based on the company's business procedures and based on the company's experience.

D.3 OTHER OBLIGATIONS

The company's other liabilities can be classified as shown in the table below. The table shows how these are valued for the purpose of calculating the solvency requirements and in the financial statements. In general, it should be noted that the liabilities are valued at amounts corresponding to what the company would have to settle to fulfil its obligation on market terms. The same valuation is used for "other liabilities" in the financial statements as in the valuation for solvency purposes, except for the small values that may arise because of recognition at the trading date in solvency and recognition for settlement or denomination in the financial statements.

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Valuation method		
Commitments	Solvency	Accounting
Deferred tax liabilities	Determined according to the debt method as all temporary differences between accounting and tax values.	The same valuation is used as under the solvency method.
Debt	Consists primarily of derivatives measured at a negative fair value. Other liabilities are measured at the current price, which basically corresponds to the cost price.	The same valuation is used as under the solvency method. However, with the difference that the debt is included as a liability on the value date.
Accrual items for commitments	Corresponds to the item in the accounts excluding interest due in swap agreements. Consists primarily of prepaid premiums and interest due in respect of the additional capital.	It consists primarily of interest owed in swap agreements. These are calculated at fair value as financial instruments and are recognised according to the same principle as these, i.e. from risk assumption on the trading day and not from the settlement date.

D.4 ALTERNATIVE VALUATION METHODS

The company's portfolio contains a proportion of assets where there are no active markets and/or market prices. The lack of an active market necessitates an alternative method of valuation. The method is applied in relation to the presentation of annual accounts, in the quarterly reports and in the daily valuation. The chosen method is reviewed in this section.

For directly owned properties in Norli Liv and its subsidiary Ejendomsinvest, see section D.1. For other affected assets, primarily unlisted loans and bonds, the value is generally based on the portfolio manager's valuation if the company has assessed that the general principles for this are fair. The value is compared with reporting and general market conditions, and an assessment is made whether a general change in market value is relevant for a specific loan. In addition, the company calculates an approximation to market value (a "market proxy") based on the performance of liquid market indices for a corresponding investment in the period following the last pricing. The liquid market indices that are used depend, among other

things, on the credit rating of the individual investment. Currently, the "iTraxx Crossover 5-year CDS index" is used for investments that are assessed as High Yield investments, the "iTraxx Main 5-year CDS index" for investments that are assessed as Investment Grade, "CMBX 11" for investments secured on real estate and "iBoxx Eur Infrastructure" for investments secured on infrastructure. The liquid indices are adjusted with differences in the recovery rate if there are differences between the specific investments and the assumptions in the liquid market indices. The valuation will be changed if the market proxy has changed more than 3% from the last received.

The company's alternative investments have been reviewed by KPMG in 2025 to assess whether the manager's reported valuation is in accordance with their own policies and whether the managers' valuation policies are in accordance with the company's valuation policy.

Decisions on recommendations to the Executive management on valuations of unlisted assets are made by the company's Credit and Valuation Committee, which is an integral part of the company's risk management

CHAPTER D - VALUATION FOR SOLVENCY PURPOSES

system. At this committee, there is an ongoing monthly review of alternative valuations, with which experience is built up and used for ongoing monitoring. The company's risk management system is described in section B.3.

D.5 OTHER INFORMATION

The following information is provided regarding valuation procedures based on the insurance and pension industry's desire for an increased level of disclosure.:

1. Frequency
2. Materiality and proportionality
3. Consistency
4. Verification

The general principles for the valuation of illiquid investments are laid down in the board-approved policy for the area. The policy is then translated by the Executive management into business procedures.

The business procedures dictate that the valuation must be correct at any time. This means that the valuation is assessed monthly, unless developments in market conditions or the specific investments require a more frequent assessment. The frequency of ongoing valuation is based on the receipt of NAV updates from the manager. As a rule, a minimum monthly report is received from the individual managers.

Regarding **materiality and proportionality**, the general principle is that investments are calculated at fair value. This is checked with at least the same frequency as withdrawals are made from policyholders' custody. In addition, the company operates with a tolerance for calculation uncertainty of 3%. This calculation uncertainty is based on liquid market indices as an indication of whether

the value of an investment has changed significantly. This calculation uncertainty applies to both upward and downward adjustments to investments. The company thus manages materiality and proportionality by means of low tolerance for calculation uncertainty and a low total share of alternative investments.

Regarding **consistency**, the general principles are anchored in the company's credit risk policy, which sets out the method of valuation. This policy is adopted annually by the Board of Directors. The policy delegates the administration of the valuation to the Executive management in the form of a procedure for the valuation of unlisted assets. The anchoring of the valuation in the board's policy thus ensures consistency over time.

Regarding **verification**, the company has established a procedure for the valuation of unlisted assets, which describes how the verification of the alternative investments is carried out. The verification consists partly of a review of the reported assets received in order to identify any non-performing assets and general information about the return and risk ratio of the assets. In addition, the verification consists of an assessment of the development of the relevant benchmarks for the individual investments, in order to ensure that the value of the investments has not changed significantly since receipt of the current balance sheet value. The verification is documented and collected by the Credit and Valuation Committee.

CHAPTER E - CAPITAL MANAGEMENT

Chapter E - Capital management

This chapter describes the requirements for the company's own funds and the various components of the capital base.

The requirements follow the regulatory standards for this.

Norli Liv is part of the Norli Group, which has adopted a Capital Structure Policy, which is shared between the insurance companies and the insurance holding company in the Group. The policy determines the desired capital base, including the allocation to different capital elements (tier-1, tier-2 and tier-3). The policy works with a planning period of 5 years. The policy has recently been updated, and it has been clarified that the Group companies currently only use tier-1 capital and occasionally tier-3 in the form of tax assets.

E.1 OWN FUNDS

The company monitors the status of the capital situation on a monthly basis, including developments in base capital, capital requirements and capital buffer. The reporting is discussed at meetings of the financial risk management committee (FRK) by the executive management, CRO, investment manager, supplemented by a key person for the actuarial function and the appointed actuary.

Own funds (m. DKK)

	2025	2024
Equity	358	331
Intangible assets	0	0
Differences in valuation between accounting and Solvency II	626	506
Proposed dividend	0	0
Total own funds	984	837
Tier 1	984	837
Tier 2	0	0
Tier 3	0	0
Recognised own funds to cover solvency capital requirements	984	837
Recognised own funds to cover minimum capital requirements	984	837

The capital base consists exclusively of Tier 1 capital and the Tier 2 and 3 elements are therefore unchanged at 0 in both 2024 and 2025.

At the end of 2025, the company does not have any tax assets and therefore no tax assets have been recognised in the capital base.

The difference between the capital base in the company's accounts and excess assets in relation to liabilities intended for solvency purposes is made up of profit minus the risk margin. At the end of 2025, this amounts to DKK 626 million.

SFCR: Additional capital elements (Art. 297(1)(g))

[Description of any additional capital elements]

The company has no supplementary capital elements.

CHAPTER E - CAPITAL MANAGEMENT

SFCR: Elements deducted from own funds (Article 297(1)(h))

[Description of any items deducted from own funds, size and species elements]

The company has no deductions from the capital base.

Under European standards, there are certain possibilities for using simplified calculation methods. The company uses the opportunity to make simplified calculations when calculating the risk margin

The company does not use company-specific parameters.

E.2 SOLVENCY CAPITAL REQUIREMENTS AND MINIMUM CAPITAL REQUIREMENTS

The company's solvency requirements are as follows:

Capital requirements (DKK million) as of 31.12.2025

Solvency requirements	330.0
Coverage	298%
Minimum solvency requirements	148.5

In the table below, the calculation of solvency requirements is broken down by the modules included in the European Standard Model:

Gross capital requirement and SCR (DKK million) as of 31.12.2025

Market Risk	1,101.3
Counterparty risk	35.0
Life Insurance Risk	293.7
Health insurance risk	28.9
Diversification	-230.9
Primary Solvency Capital Requirement	1,228.0
Operational risk	57.3
Adjustment for loss-absorbing capacity of the technical provisions	-889.4
Adjustment for loss-absorbing capacity of deferred taxes	-65.8
Solvency capital requirement	330.0

CHAPTER E - CAPITAL MANAGEMENT

The minimum solvency requirements are calculated as follows:

Minimum solvency requirement for insurance activities

(million.DKK) as of. 31.12.2025

MCR	148	
Linear minimum capital requirement	286	
Elements in the calculation of the linear minimum solvency requirement	Parameters	Element
Obligations with profit participation - guaranteed benefits	3,7%	9.923
Obligations with profit participation - future discretionary benefits	-5,2%	1.943
Other life (re)insurance and health (re)insurance obligations	2,1%	557
Total capital at risk for all life (re)insurance obligations	0,07%	11.883

CHAPTER E - CAPITAL MANAGEMENT

E.3 USE OF THE SUB-MODULE FOR MATURITY-BASED EQUITY RISKS FOR THE CALCULATION OF SOLVENCY CAPITAL REQUIREMENTS

The possibility of converting equity risks into a bond-like return and risk profile that matches the pension obligations is not used by the company.

E.4 DIFFERENCES BETWEEN THE STANDARD FORMULA AND AN INTERNAL MODEL

The company uses the standard model for calculating the solvency capital requirement. Thus, there are no differences.

E.5 NON-COMPLIANCE WITH THE MINIMUM CAPITAL REQUIREMENT AND NON-COMPLIANCE WITH THE SOLVENCY CAPITAL REQUIREMENT

The company has not breached any solvency requirements or minimum solvency requirements during the reporting period.

E.6 OTHER INFORMATION

There is no other material information about the company's asset management than that set out in the previous paragraphs.

There is no other material information about the Group's asset management.

ANNEX 1 - DISCLOSURE OF INFORMATION

Annex 1 - Disclosure of information

The company shall, together with this report, publish certain of the forms submitted to the Danish Financial Supervisory Authority displaying company's risks, solvency and capital. The table below provides an overview of these. The forms are shown on the following pages:

QRT templates for SFCR (Solo)	
Scheme	Provides information on:
s.02.01.02	Balance sheet information
s.05.01.02	Premiums, claims and expenses
s.05.02.04	Premiums, claims and expenses by country [Udeladt. Ikke relevant]
s.12.01.02	Life and Health SLT Technical Provisions
s.22.01.21	Impact of the long-term guarantee and transitional measures
s.23.01.01	Own funds, including basic own funds and ancillary own funds
s.25.01.21	Solvency Capital Requirement calculated <i>using the standard formula</i>
S.28.02.01	Minimum Capital Requirement - Both life and non-life insurance activity

ANNEX 1 - DISCLOSURE OF INFORMATION

S.02.01.02 Balance sheet (t.DKK)

		Solvency II value
		C0010
Assets		
Intangible assets	R0030	0
Deferred tax assets	R0040	0
Pension benefit surplus	R0050	0
Property, plant & equipment held for own use	R0060	0
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	13.906.615
Property (other than for own use)	R0080	1.656.292
Holdings in related undertakings, including participations	R0090	0
Equities	R0100	805.402
Equities - listed	R0110	801.126
Equities - unlisted	R0120	4.276
Bonds	R0130	10.048.493
Government Bonds	R0140	514.424
Corporate Bonds	R0150	9.534.070
Structured notes	R0160	0
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	1.335.053
Derivatives	R0190	61.374

ANNEX 1 - DISCLOSURE OF INFORMATION

Deposits other than cash equivalents	R0200	0
Other investments	R0210	0
Assets held for index-linked and unit-linked contracts	R0220	0
Loans and mortgages	R0230	119
Loans on policies	R0240	119
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	0
Reinsurance recoverables from:	R0270	300.225
Non-life and health similar to non-life	R0280	0
Non-life excluding health	R0290	0
Health similar to non-life	R0300	0
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	300.225
Health similar to life	R0320	0
Life excluding health and index-linked and unit-linked	R0330	300.225
Life index-linked and unit-linked	R0340	0
Deposits to cedants	R0350	0
Insurance and intermediaries receivables	R0360	10.542
Reinsurance receivables	R0370	-12.549
Receivables (trade, not insurance)	R0380	9.182
Own shares (held directly)	R0390	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0
Cash and cash equivalents	R0410	347.364
Any other assets, not elsewhere shown	R0420	187.269
Total assets	R0500	14.748.768

ANNEX 1 - DISCLOSURE OF INFORMATION

Liabilities

	C0010
Technical provisions - non-life	R0510 0
Technical provisions - non-life (excluding health)	R0520 0
Technical provisions calculated as a whole	R0530 0
Best Estimate	R0540 0
Risk margin	R0550 0
Technical provisions - health (similar to non-life)	R0560 0
Technical provisions calculated as a whole	R0570 0
Best Estimate	R0580 0
Risk margin	R0590 0
Technical provisions - life (excluding index-linked and unit-linked)	R0600 12.826.254
Technical provisions - health (similar to life)	R0610 542.230
Technical provisions calculated as a whole	R0620 0
Best Estimate	R0630 537.400
Risk margin	R0640 4.830
Technical provisions - life (excluding health and index-linked and unit-linked)	R0650 12.284.024
Technical provisions calculated as a whole	R0660 0
Best Estimate	R0670 12.187.638
Risk margin	R0680 96.386
Technical provisions - index-linked and unit-linked	R0690 0
Technical provisions calculated as a whole	R0700 0
Best Estimate	R0710 0
Risk margin	R0720 0
Contingent liabilities	R0740 0
Provisions other than technical provisions	R0750 0
Pension benefit obligations	R0760 0
Deposits from reinsurers	R0770 0

ANNEX 1 - DISCLOSURE OF INFORMATION

Deferred tax liabilities	R0780	61.517
Derivatives	R0790	91.197
Debts owed to credit institutions	R0800	0
Financial liabilities other than debts owed to credit institutions	R0810	344.938
Insurance & intermediaries payables	R0820	0
Reinsurance payables	R0830	0
Payables (trade, not insurance)	R0840	12.487
Subordinated liabilities	R0850	0
Subordinated liabilities not in Basic Own Funds	R0860	0
Subordinated liabilities in Basic Own Funds	R0870	0
Any other liabilities, not elsewhere shown	R0880	428.175
Total liabilities	R0900	13.764.569
Excess of assets over liabilities	R1000	984.200

ANNEX 1 - DISCLOSURE OF INFORMATION

S.05.01.02 Premiums, claims and expenses by line of business (f.DKK)

Premiums, claims and expenses by line of business

		Line of Business for: life insurance obligations		Total
		Health insurance	Insurance with profit participation	
		C0210	C0220	
Premiums written				
Gross	R1410	100.287	1.084.324	1.184.611
Reinsurers' share	R1420	60.909	14.126	75.035
Net	R1500	39.377	1.070.199	1.109.576
Premiums earned				
Gross	R1510	0	0	0
Reinsurers' share	R1520	0	0	0
Net	R1600	0	0	0
Claims incurred				
Gross	R1610	85.576	2.400.161	2.485.737
Reinsurers' share	R1620	39.244	11.629	50.873
Net	R1700	46.332	2.388.532	2.434.864
Expenses incurred	R1900	13.043	165.085	178.128
Balance - other technical expenses/income	R2510			0
Total technical expenses	R2600			178.128
Total amount of surrenders	R2700	0	0	0

ANNEX 1 - DISCLOSURE OF INFORMATION

S.12.01.02 Life and Health SLT Technical Provisions (t.DKK)

		Insurance with profit participation	Index-linked and unit-linked insurance	
			Contracts without options and guarantees	
		C0020	C0030	C0040
Technical provisions calculated as a whole	R0010	0	0	
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0020	0	0	
Technical provisions calculated as a sum of BE and RM				
Best Estimate				
Gross Best Estimate	R0030	12.167.668		0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	300.225		0
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090	11.867.443		0
Risk Margin	R0100	95.939	0	
Technical provisions - total	R0200	12.263.607	0	

		Other life insurance		
		Contracts without options and guarantees	Contracts with options or guarantees	
		C0060	C0070	C0080
Technical provisions calculated as a whole	R0010	0		

ANNEX 1 - DISCLOSURE OF INFORMATION

Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0020	0		
Technical provisions calculated as a sum of BE and RM				
Best Estimate				
Gross Best Estimate	R0030		0	19.970
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080		0	0
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090		0	19.970
Risk Margin	R0100	447		
Technical provisions - total	R0200	20.418		

ANNEX 1 - DISCLOSURE OF INFORMATION

		Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, incl. Unit-Linked)
		C0090	C0100	C0150
Technical provisions calculated as a whole	R0010	0	0	0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0020	0	0	0
Technical provisions calculated as a sum of BE and RM				
Best Estimate				
Gross Best Estimate	R0030	0	0	12.187.638
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	0	0	300.225
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090	0	0	11.887.413
Risk Margin	R0100	0	0	96.386
Technical provisions - total	R0200	0	0	12.284.024

ANNEX 1 - DISCLOSURE OF INFORMATION

		Health insurance (direct business)		
			Contracts without options and guarantees	Contracts with options or guarantees
		C0160	C0170	C0180
Technical provisions calculated as a whole	R0010	0		
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0020	0		
Technical provisions calculated as a sum of BE and RM				
Best Estimate				
Gross Best Estimate	R0030		533.321	4.078
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080		0	0
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090		533.321	4.078
Risk Margin	R0100	4.830		
Technical provisions - total	R0200	542.230		

ANNEX 1 - DISCLOSURE OF INFORMATION

		Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health re-insurance (reinsurance accepted)	Total (Health similar to life insurance)
		C0190	C0200	C0210
Technical provisions calculated as a whole	R0010	0	0	0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0020	0	0	0
Technical provisions calculated as a sum of BE and RM				
Best Estimate				
Gross Best Estimate	R0030	0	0	537.400
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	0	0	0
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090	0	0	537.400
Risk Margin	R0100	0	0	4.830
Technical provisions - total	R0200	0	0	542.230

ANNEX 1 - DISCLOSURE OF INFORMATION

22.01.21 Impact of long term guarantees and transitional measures (t.DKK)

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	12.826.254	0	0	34.872	0
Basic own funds	R0020	984.200	0	0	-26.043	0
Eligible own funds to meet Solvency Capital Requirement	R0050	984.200	0	0	-26.043	0
Solvency Capital Requirement	R0090	329.981	0	0	14.247	0
Eligible own funds to meet Minimum Capital Requirement	R0100	984.200	0	0	-26.043	0
Minimum Capital Requirement	R0110	148.491	0	0	6.411	0

ANNEX 1 - DISCLOSURE OF INFORMATION

S.23.01.22 Own funds (t.DKK)

		Total	Tier 1 - un-restricted	Tier 3
		C0010	C0020	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35				
Ordinary share capital (gross of own shares)	R0010	10.000	10.000	
Share premium account related to ordinary share capital	R0030	0	0	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0	0	
Subordinated mutual member accounts	R0050	0		0
Surplus funds	R0070	348.394	348.394	
Preference shares	R0090	0		0
Share premium account related to preference shares	R0110	0		0
Reconciliation reserve	R0130	625.806	625.806	
Subordinated liabilities	R0140	0		0
An amount equal to the value of net deferred tax assets	R0160	0		0
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0	0	0
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds				
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	0		
Deductions				
Deductions for participations in financial and credit institutions	R0230	0	0	0
Total basic own funds after deductions	R0290	984.200	984.200	0
Ancillary own funds				
Unpaid and uncalled ordinary share capital callable on demand	R0300	0		
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0		
Unpaid and uncalled preference shares callable on demand	R0320	0		0
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0		0
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0		
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0		0
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0		
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0		0
Other ancillary own funds	R0390	0		0

ANNEX 1 - DISCLOSURE OF INFORMATION

		Total	Tier 1 - un-restricted	Tier 3
		C0010	C0020	C0050
Total ancillary own funds	R0400	0		0
Available and eligible own funds				
Total available own funds to meet the SCR	R0500	984.200	984.200	0
Total available own funds to meet the MCR	R0510	984.200	984.200	
Total eligible own funds to meet the SCR	R0540	984.200	984.200	0
Total eligible own funds to meet the MCR	R0550	984.200	984.200	
SCR	R0580	329.981		
MCR	R0600	148.491		
Ratio of Eligible own funds to SCR	R0620	3		
Ratio of Eligible own funds to MCR	R0640	7		

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	984.200
Own shares (held directly and indirectly)	R0710	0
Foreseeable dividends, distributions and charges	R0720	0
Other basic own fund items	R0730	358.394
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	0
Reconciliation reserve	R0760	625.806
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	123.783
Expected profits included in future premiums (EPIFP) - Non- life business	R0780	0
Total Expected profits included in future premiums (EPIFP)	R0790	123.783

ANNEX 1 - DISCLOSURE OF INFORMATION

S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula (t.DKK)

		Gross Solvency Capital Requirement	
		C0110	C0120
Market risk	R0010	1.101.315	None
Counterparty default risk	R0020	34.985	
Life underwriting risk	R0030	293.659	None
Health underwriting risk	R0040	28.884	None
Non-life underwriting risk	R0050	0	None
Diversification	R0060	-230.858	
Intangible asset risk	R0070	0	
Basic Solvency Capital Requirement	R0100	1.227.985	

Basic Solvency Capital Requirement (USP)

		USP
		C0090
Life underwriting risk	R0030	None
Health underwriting risk	R0040	None
Non-life underwriting risk	R0050	None

Calculation of Solvency Capital Requirement

		Value
		C0100
Operational risk	R0130	57.263
Loss-absorbing capacity of technical provisions	R0140	-889.433
Loss-absorbing capacity of deferred taxes	R0150	-65.835
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	0
Solvency Capital Requirement excluding capital add-on	R0200	329.981
Capital add-on already set	R0210	0
of which, capital add-ons already set - Article 37 (1) Type a	R0211	0
of which, capital add-ons already set - Article 37 (1) Type b	R0212	0
of which, capital add-ons already set - Article 37 (1) Type c	R0213	0
of which, capital add-ons already set - Article 37 (1) Type d	R0214	0
Solvency capital requirement	R0220	329.981
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	0
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	0
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	0

ANNEX 1 - DISCLOSURE OF INFORMATION

Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	0
Diversification effects due to RFF nSCR aggregation for article 304	R0440	0

Approach to tax rate

		Yes/No
		C0109
Approach based on average tax rate	R0590	Yes

Calculation of loss absorbing capacity of deferred taxes

		LAC DT
		C0130
Amount/estimate of LAC DT	R0640	-65.835
Amount/estimate of LAC DT justified by reversion of deferred tax liabilities	R0650	-61.517
Amount/estimate of LAC DT justified by reference to probable future taxable economic profit	R0660	-4.318
Amount/estimate of LAC DT justified by carry back, current year	R0670	0
Amount/estimate of LAC DT justified by carry back, future years	R0680	0
Amount/estimate of Maximum LAC DT	R0690	-115.939

ANNEX 1 - DISCLOSURE OF INFORMATION

S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	0

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	0	0
Income protection insurance and proportional reinsurance	R0030	0	0
Workers' compensation insurance and proportional reinsurance	R0040	0	0
Motor vehicle liability insurance and proportional reinsurance	R0050	0	0
Other motor insurance and proportional reinsurance	R0060	0	0
Marine, aviation and transport insurance and proportional reinsurance	R0070	0	0
Fire and other damage to property insurance and proportional reinsurance	R0080	0	0
General liability insurance and proportional reinsurance	R0090	0	0
Credit and suretyship insurance and proportional reinsurance	R0100	0	0
Legal expenses insurance and proportional reinsurance	R0110	0	0
Assistance and proportional reinsurance	R0120	0	0
Miscellaneous financial loss insurance and proportional reinsurance	R0130	0	0
Non-proportional health reinsurance	R0140	0	0
Non-proportional casualty reinsurance	R0150	0	0
Non-proportional marine, aviation and transport reinsurance	R0160	0	0
Non-proportional property reinsurance	R0170	0	0

ANNEX 1 - DISCLOSURE OF INFORMATION

Linear formula component for life insurance and reinsurance obligations

		Result
		C0040
MCRL Result	R0200	286.106

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	9.923.489	
Obligations with profit participation - future discretionary benefits	R0220	1.943.954	
Index-linked and unit-linked insurance obligations	R0230	0	
Other life (re)insurance and health (re)insurance obligations	R0240	557.370	
Total capital at risk for all life (re)insurance obligations	R0250		11.882.829

Overall MCR calculation

		Value
		C0070
Linear MCR	R0300	286.106
SCR	R0310	329.981
MCR cap	R0320	148.491
MCR floor	R0330	82.495
Combined MCR	R0340	148.491
Absolute floor of the MCR	R0350	50.042
Minimum Capital Requirement	R0400	148.491

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